

MANAKSIA ALUMINIUM COMPANY LIMITED

Regd Office : Bikaner Building , 3rd Floor, 8/1, Lal Bazar Street, Kolkata - 700 001
Corporate Identity Number : L27100WB2010PLC144405
Phone : +91-33-2231 0050/51/52, Fax : +91-33-2230 0336

Sec/Alum/145

Dated: 10.10.2017

The Secretary
BSE Limited
New Trading Wing,
Rotunda Building,
PJ Tower, Dalal Street,
Mumbai- 400001

The Manager
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block "G"
5th floor, Bandra Kurla Complex,
Bandra East,
Mumbai- 400051

Sir,

Sub: Submission of Annual Report for the financial year 2016-17 in compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please find enclosed herewith Annual Report of the Company for the Financial Year 2016-17.

This may be treated as compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,
For Manaksia Aluminium Company Limited

Vivek Jain
Vivek Jain
Membership No.: A36946
(Company Secretary)
Kalyaneswari Road,
P.O. Barakar- 713324



Encl: a/a



ANNUAL REPORT 2016-17

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This annual report can be viewed online on www.manaksia.com

Forward Looking statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations, projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

CORPORATE INFORMATION

DIRECTORS

Mr. Ajay Kumar Chakraborty - Chairman

DIN: 00133604

Mr. Sunil Kumar Agrawal - Managing Director

DIN: 00091784

Mr. Basudeo Agrawal - Executive Director

DIN: 00438754

Mr. Anirudha Agrawal

DIN: 06537905

Dr. Kali Kumar Chaudhuri

DIN: 00206157

Mr. Mrinal Kanti Pal

DIN: 00867865

Mrs. Smita Khaitan

DIN: 01116869

Mr. Vineet Agrawal

DIN: 00441223

COMPANY SECRETARY

Mr. Vivek Jain

AUDITORS

M/s. S. K. Agrawal & Co.

CHIEF FINANCIAL OFFICER

Mr. Deepak Chamaria*

*ceased to be a Chief Financial Officer w.e.f.
1st June, 2017

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd. 59C, Chowringhee Road
Kolkata - 700 020

REGISTERED OFFICE

8/1, Lal Bazar Street Bikaner Building, 3rd Floor
Kolkata - 700 001

BANKERS

State Bank of India
Bank of Baroda
Allahabad Bank
IDBI Bank Limited

CORPORATE OVERVIEW

Manaksia Aluminium Company comes from a strong parentage of the Manaksia Group which is a multi-division and multi-location conglomerate. The Company is one of the well-known and an established player in the aluminium industry. The Company follows high level of quality standards to ensure that it matches the global products.



Mission

To emerge as an Indian multinational and deliver exceptional quality products and services across the globe.



Vision

We will pursue our vision through following:

Customers:

Achieve a lasting partnership through an unwavering commitment to excellence in everything we do.

Employees:

Trust, respect & empower our employees to help them achieve their goals.

Stakeholders:

Work with concern & well-being of our stakeholders – by sharing the responsibility of their economic, social, physical & cultural environments.

PRODUCT OFFERINGS



Sheets & Coils

It is mainly used for general purpose e.g. construction and auto industries



Flooring Sheets

The product has got wide range of application e.g., flooring of bus, truck, rail coaches & many more. It renders excellent grips and has non-slippery surface. These can be made available in various sizes and thickness to suit customers' requirements.



Pattern Sheets

Embossed pattern can be successfully used in insulation, false ceiling and as reflectors and decorators in the light shade



Roofing (or Building) Sheets

Easy transportation, quick erection & dismantling, aesthetically pleasing appearance with high resale value after prolonged use have made Aluminum the preferred material over conventional G.I and Asbestos.



Closure Coils & Sheets

Modern sophisticated printing process of Manaksia has enabled the Company to give option for supplying Sheet, Ready to Print Sheet and Printed Sheet to clients. Multi locational production units backed by technical services and constant urge for upgradation in quality parameters have made Manaksia's closure stock unique by itself.



Colour Coated Roofing (or Building) Sheets and Coils

These products meet the highest criteria of durability, functionality, lighter in weight and the aesthetic appeal as compared to conventional zinc coated CR sheets or coils.

GLOBAL PRESENCE

The Company's products enjoy wide international acceptance and exported to over 20 countries in Europe, North America, Middle East, Africa, Latin America, neighboring continent etc.



REPUTED CLIENTELE

The Company takes pride in serving marquee clientele and enjoys long-term association with them.

- Voltas Limited.
- Samsung C&T Corporation.
- Hunter Douglas Metals LLP.
- Aludecor Lamination Pvt Ltd.
- Alexia Panels.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2016-17

Dear Shareholders,

Your Directors are pleased to present the Seventh Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2017.

FINANCIAL RESULTS:

(₹ in Lacs)

| Particulars | 2016-17 | 2015-16 |
|--|------------------|----------|
| Total Revenue | 24095.77 | 26569.11 |
| Profit Before Tax | (488.42) | (639.67) |
| Less: Provision for Taxation | (26.70) | (135.96) |
| Profit After Tax | (461.72) | (503.71) |
| Balance brought forward from previous year | (879.73) | (376.02) |
| Surplus/ (Deficit) carried to Balance Sheet | (1341.45) | (879.73) |

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms part of the Annual Report.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND

Since your Company has incurred loss the Board of Directors of your Company have not recommended any dividend for the financial year 2016-17.

TRANSFER TO RESERVES

During the year under review the Company has not transferred any amount to the General Reserve Account.

CHANGES IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2017 stood at ₹ 655.34 lacs. During the year under review, the Company has not issued any further shares.

DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT

Details of shares held in the demat suspense account as required under Regulation 39(4) read with Para F of Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") forms part of the Corporate Governance Report.

OPERATIONS AND BUSINESS PERFORMANCE

Kindly refer to 'Management Discussion and Analysis Report', which forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) read with Para B of Schedule V of the Listing Regulations forms part of this Annual Report.

DETAILS UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS "ACT") IN RESPECT OF ANY SCHEME OF PROVISIONS OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES

No such instance took place during the year under review.

DETAILS RELATING TO MATERIAL VARIATIONS

Since no prospectus or letter of offer has been issued during last 5(Five) years, there is no question of material variation.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the company during the year under review.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on 31st March, 2017 in the prescribed Form MGT-9, pursuant to Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 forms part of this Directors' Report and marked as **Annexure- "A"**.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Para C of Schedule V of the Listing Regulations, Report on the Corporate Governance along with a certificate from the Auditors of the Company confirming compliance with the conditions of the Corporate Governance is annexed as **Annexure- "B"**.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The details of numbers of meeting of Board of Directors held during the year under review forms part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134(5) of the Act:

- a) that in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanations relating to material departures, if any;
- b) that the Directors had adopted such accounting policies and applied them consistently and made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2016-17 and of the loss of the Company for that period;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts had been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has appointed Mr Ajay Kumar Chakraborty (DIN: 00133604), Dr Kali Kumar Chaudhuri (DIN:00206157) and Mrs Smita Khaitan (DIN:01116869) as Independent Directors of the Company for a fixed term of 5 (Five) years in the Extra ordinary General Meeting of the Company held on 17th November, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152(6) of the Act and the Article 87 of the Articles of Association of the Company, Mr. Basudeo Agrawal (DIN: 00438754), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (hereinafter referred to as the 'AGM') and being eligible offers himself for re-appointment.

The brief Resume/Profile of the Directors recommended by the Board for appointment/re-appointment forms part of Notice convening the 7th AGM.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s S.K. Agrawal & Co., Chartered Accountants, (Firm Registration No. 306033E), had been appointed as statutory auditors of the Company at the 4th AGM held on 10th September, 2014, to hold office from the conclusion of 4th AGM until the conclusion of 9th AGM, on such remuneration as may be fixed by the Board subject to ratification by the Shareholders in the forthcoming AGM, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

In accordance with Section 139(1) of the Act, the Board recommends such appointment of M/s. S. K. Agrawal & Co. for ratification by the members in the ensuing AGM.

There are no observations (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self explanatory and give complete information.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Vinod Kothari & Company, Practising Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2016-17.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in Form MR-3 as given by the Secretarial Auditor for the Financial Year ended 31st March, 2017, forms part of the Directors Report and annexed as **Annexure- "C"**.

The Secretarial Auditors Report of the Company, does not contain any observations (including any qualification, reservation, adverse remark or disclaimer) that may call for any explanation from the Directors.

COST AUDITORS

Pursuant to the requirement of Section 148 of the Act, the provisions of cost audit is applicable on your Company for manufacturing items covered under Rule 3 of Companies (Cost Records and Audit) Rules, 2014. The Board of Directors of your Company on the recommendation of Audit Committee has appointed M/s B. Mukhopadhyay & Co., Cost Accountants as Cost Auditors of the Company for the Financial Year 2016-17. As required under the Act, the remuneration payable to the Cost Auditor was ratified by the shareholders in the AGM held on 23rd September, 2016.

The due date for filing the Cost Audit Reports for Financial Year 2016-17 is 27th September, 2017 and the Cost Auditors are expected to file the reports with the Central Government within the said period.

The Board, pursuant to the provisions of Section 148 of the Act, read with Companies (Cost Records & Audit) Rules, 2014 has re-appointed M/s B. Mukhopadhyay & Co, Cost Accountants, B-20, Amarabati, Sodepur, Kolkata- 700 110, as the Cost Auditors of the Company for the Financial Year 2017-18 and accordingly, a resolution for seeking Members ratification for the remuneration payable to the Cost Auditors in included at Item No 5 of the Notice Convening the AGM.

FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under section 143(12) of the Act, to the Audit Committee or the Board of Directors during the year under review.

DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME

During the year under review, your Company has not provided any employee stock option / purchase scheme.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans, made any investments or given any guarantee as stipulated under the provisions of Section 186 of the Act, during the financial year 2016-17.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company with related parties for the year under review were on arm's length basis and in the ordinary course of business and were reviewed by the Audit Committee, and that the provisions of Section 188(1) read with the Companies (Meetings of Board and its Powers) Rules, 2014 are not attracted. Further there are no materially significant related party transactions during the year under review made by the Company which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

All Related Party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of un-foreseen in nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the Audit Committee and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting on a quarterly basis.

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's Policy on Materiality of Related Party Transactions.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website www.manaksia.com and the weblink thereto is http://www.manaksia.com/corp_policy_aluminium.php

PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of Related Party disclosures with respect to loans/ advances/ investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details required pursuant to the provisions of Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo forms part of this Directors Report and marked as **Annexure-“D”**.

RISK MANAGEMENT SYSTEM

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realisation of opportunities.

The Company has structured Risk Management Policy, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives.

The major risks have been identified by the Company and its mitigation process/measures have been formulated.

AUDIT COMMITTEE

The Company pursuant to the provisions of section 177 of the Act, read with Regulation 18 of the Listing Regulations, has in place Audit Committee comprising of 4 (Four) Directors, Mr. Ajay Kumar Chakraborty (DIN: 00133604)– Independent Director (Chairman), Dr. Kali Kumar Chaudhuri (DIN: 00206157)- Independent Director, Mr. Sunil Kumar Agrawal (DIN: 00091784)- Executive Director and Mrs. Smita Khaitan (DIN: 01116869)- Independent Director. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

There were no such instances where in the Board had not accepted recommendation of the Audit Committee.

NOMINATION & REMUNERATION COMMITTEE

The Company pursuant to the provisions of section 178(1) of the Act, read with Regulation 19 of the Listing Regulations has in place the Nomination & Remuneration Committee comprising of 4 (Four) members, Dr Kali Kumar Chaudhuri (DIN: 00206157) – Independent Director (Chairman), Mr. Ajay Kumar Chakraborty (DIN: 00133604) – Independent Director, Mr. Vineet Agrawal* (DIN: 00441223)– Non-Executive Director and Mrs. Smita Khaitan (DIN: 01116869)– Independent Director. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

The Company pursuant to provisions of section 178 of the Act, and Regulation 19 read with Para A of Part D of Schedule II of Listing Regulations, upon recommendation of Nomination & Remuneration Committee has devised a policy on Remuneration of Directors and Key Managerial Personnel and other employees. The said policy forms part of the Directors Report and marked as **Annexure “E”**.

*Appointed as member of Nomination & Remuneration Committee during the year.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As required by the provisions of Section 178(5) of the Act, read with Regulation 20 of the Listing Regulations, the Company has constituted the Stakeholders Relationship Committee comprising of 3 (Three) members, Dr Kali Kumar Chaudhuri (DIN: 00206157) – Independent Director (Chairman), Mr. Sunil Kumar Agrawal (DIN: 00091784)– Managing Director and Mr. Vineet Agrawal (DIN: 00441223) – Non-Executive Director as members. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act, and the Listing Regulations, the Nomination & Remuneration Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Board functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out the annual evaluation of its own performance, the performance of Board Committee and of Directors individually.

As per Para VII of Schedule IV of the Act, the Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting held on 28th May, 2016 have reviewed the performance of:

- Non-Independent Directors and the Board as a whole;
- the Chairman of the Company taking into account the views of Executive Directors and Non Executive Directors.
- assessed the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties.

The review of performance of Non-Independent Directors was done after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas and planning etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members etc. The evaluation of the Chairman of the Company was conducted on various parameters such as leadership, quality, capability, availability, clarity of understanding, governance & compliance and degree of contribution etc.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of performance of Board, its Committees and of individual directors.

FAMILIARIZATION PROGRAMME

Familiarization programme undertaken for Independent Directors is provided at the following weblink: <http://www.manaksia.com/pdf/Details-of-Familiarisation-Program-imparted-to-IDs-Aluminium.pdf>

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review in terms of Chapter V of the Act.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact its going concern status and Company's operations in future.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to the financial statements. Your Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. To commensurate the internal financial control with its size, scale and complexities of its operations the Company on the recommendation of Audit Committee has appointed M/s S Bhalotia & Associates, Chartered Accountants, as Internal Auditor of the Company.

The Audit Committee reviews the Report submitted by the Internal Auditors. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems, in this regard, your Board confirms the following:

- a. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
- b. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
- c. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

- d. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
- e. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

In Compliance with the provisions of section 177(9) of the Act and Listing Regulations, the Company has framed a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behaviour, mal practice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company policies including Code of Conduct without fear of reprisal/retaliation. The Whistle Blower Policy/Vigil Mechanism has also been uploaded on Company's website <http://www.manaksia.com/images/pdf/corp-policies/Whistle-Blower-Policy-Aluminium.pdf>.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

There has been no such case filed/pending during the year under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure pertaining to remuneration and other details as required under the provisions of Section 197(12) of the Act read with applicable provisions of Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors Report and marked as **Annexure-"F"**.

ACKNOWLEDGEMENT

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the endeavour of your Company to deploy resources in a balanced manner so as to secure the interest of the shareholders in the best possible manner in the short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed customers, commercial associates, banks, financial institutions, government authorities, other stakeholders and the media.

Your Directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable teamwork, professionalism and enthusiastic contribution towards the working of the Company during the year under review.

Your Directors look forward to the future with hope and conviction.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 18th May, 2017

Sunil Kumar Agrawal
Managing Director
DIN: 00091784

Mrinal Kanti Pal
Director
DIN: 00867865

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on Financial Year ended 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

| | | |
|---|--|--|
| 1 | CIN | L27100WB2010PLC144405 |
| 2 | Registration Date | 25 th March 2010 |
| 3 | Name of the Company | Manaksia Aluminium Company Limited |
| 4 | Category/Sub-category of the Company | Public Company Limited by Shares / Indian Non-Government Company |
| 5 | Address of the Registered office & contact details | Bikaner Building, 3rd Floor, 8/1, Lal Bazar Street, Kolkata - 700 001 Tel: +91-33-2231 0050 Fax: +91-33-2230 0336 |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar and Share Transfer Agent, if any. | Link Intime India Private Limited 59C, Chowringhee Road, 3rd Floor, Room No.5, Kolkata - 700 020 Tel: +91-33-2289 0540 Fax: +91-33-2289 0539 |

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 | Aluminium Sheet Coil | 24202 | 98.46% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : Not Applicable**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****A) Category-wise Share Holding**

| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2016) | | | | No. of Shares held at the end of the year (As on 31.03.2017) | | | | % Change during the year |
|--------------------------|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 42277940 | - | 42277940 | 64.513 | 42277940 | - | 42277940 | 64.513 | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total A(1) | 42277940 | - | 42277940 | 64.513 | 42277940 | - | 42277940 | 64.513 | - |

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

| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2016) | | | | No. of Shares held at the end of the year (As on 31.03.2017) | | | | % Change during the year |
|--|--|-------------|-----------------|-------------------|--|-------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Others - Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total A(2) | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) =(A)(1) + (A)(2) | 42277940 | - | 42277940 | 64.513 | 42277940 | - | 42277940 | 64.513 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | 19208 | - | 19208 | 0.029 | 19208 | - | 19208 | 0.029 | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | 31147 | - | 31147 | 0.048 | - | - | - | - | (0.048) |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | 50355 | - | 50355 | 0.077 | 19208 | - | 19208 | 0.029 | (0.048) |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 15333074 | - | 15333074 | 23.397 | 14994100 | - | 14994100 | 22.880 | (0.517) |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 6319876 | 1470 | 6321346 | 9.646 | 6569183 | 1470 | 6570653 | 10.026 | 0.380 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1409715 | - | 1409715 | 2.151 | 1512563 | - | 1512563 | 2.308 | 0.157 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians(Rep) | 47998 | - | 47998 | 0.073 | 52857 | - | 52857 | 0.081 | 0.008 |
| Non Resident Indians(Non-Rep) | 27579 | - | 27579 | 0.042 | 20990 | - | 20990 | 0.032 | (0.010) |
| Clearing Members | 66044 | - | 66044 | 0.101 | 85739 | - | 85739 | 0.131 | 0.030 |
| Sub-total (B)(2):- | 23204285 | 1470 | 23205755 | 35.410 | 23235432 | 1470 | 23236902 | 35.458 | 0.048 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 23254640 | 1470 | 23256110 | 35.487 | 23254640 | 1470 | 23256110 | 35.487 | - |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 65532580 | 1470 | 65534050 | 100.000 | 65532580 | 1470 | 65534050 | 100.000 | - |

B) Shareholding of Promoters-

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year (01.04.2016) | | | Shareholding at the end of the year (As on 31.03.2017) | | | % change in shareholding during the year |
|---------|------------------------------|--|----------------------------------|--|--|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Basudeo Agrawal | 10348615 | 15.791 | - | 10348615 | 15.791 | - | - |
| 2 | Mahabir Prasad Agrawal | 5959245 | 9.093 | - | 5959245 | 9.093 | - | - |
| 3 | Vineet Agrawal | 8954735 | 13.664 | - | 8450175 | 12.894 | - | (0.770) |
| 4 | Karan Agrawal | 1797185 | 2.742 | - | 1797185 | 2.742 | - | - |
| 5 | Sunil Kumar Agrawal | 4861368 | 7.418 | - | 5341178 | 8.150 | - | 0.732 |
| 6 | Shobha Devi Agrawal | 1305560 | 1.992 | - | 1305560 | 1.992 | - | - |
| 7 | Sushil Kumar Agrawal | 4483557 | 6.842 | - | 3613557 | 5.514 | - | (1.328) |
| 8 | Shailaja Agrawal | 497810 | 0.760 | - | 1367810 | 2.087 | - | 1.327 |
| 9 | Manju Agrawal | 487125 | 0.743 | - | 1381875 | 2.109 | - | (1.366) |
| 10 | Kanta Devi Agrawal | 482060 | 0.736 | - | 482060 | 0.736 | - | - |
| 11 | Basudeo Agrawal (HUF) | 464060 | 0.708 | - | 464060 | 0.708 | - | - |
| 12 | Mahabir Prasad Agrawal (HUF) | 464060 | 0.708 | - | 464060 | 0.708 | - | - |
| 13 | Sunil Kumar Agrawal (HUF) | 393750 | 0.601 | - | 393750 | 0.601 | - | - |
| 14 | Anirudha Agrawal | 1374560 | 2.097 | - | - | - | - | (2.097) |
| 15 | Sushil Kumar Agrawal (HUF) | 338250 | 0.516 | - | 338250 | 0.516 | - | - |
| 16 | Anuradha Agrawal | 66000 | 0.101 | - | 570560 | 0.871 | - | 0.770 |

C) Change in Promoters' Shareholding

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2016) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2016 to 31.03.2017) | |
|---------|------------------------|--|----------------------------------|------------|--------------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 1 | Basudeo Agrawal | 10348615 | 15.791 | 01.04.2016 | - | 10348615 | 15.791 |
| | | | | 31.03.2017 | | | |
| 2 | Mahabir Prasad Agrawal | 5959245 | 9.093 | 01.04.2016 | - | 5959245 | 9.093 |
| | | | | 25.02.2017 | | | |
| | | | | 31.03.2017 | | | |
| 3 | Vineet Agrawal | 8954735 | 13.664 | 01.04.2016 | (8954735)* | - | - |
| | | | | 28.03.2017 | | | |
| | | | | 29.03.2017 | | | |
| | | | | 31.03.2017 | | | |

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2016) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2016 to 31.03.2017) | |
|---------|------------------------------|--|----------------------------------|--|--------------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 4 | Karan Agrawal | 1797185 | 2.742 | 01.04.2016 31.03.2017 | - | 1797185 | 2.742 |
| 5 | Sunil Kumar Agrawal | 4861368 | 7.418 | 01.04.2016 28.03.2017 29.03.2017 31.03.2017 | 5341178* (4861368)* | 10202546 5341178 5341178 | 15568 8.150 8.150 |
| 6 | Shobha Devi Agrawal | 1305560 | 1.992 | 01.04.2016 31.03.2017 | - | 1305560 | 1.992 |
| 7 | Sushil Kumar Agrawal | 4483557 | 6.842 | 01.04.2016 28.03.2017 29.03.2017 31.03.2017 | 3613557* (4483557)* | 8097114 3613557 3613557 | 12.356 5.514 5.514 |
| 8 | Shailaja Agrawal | 497810 | 0.760 | 01.04.2016 28.03.2017 31.03.2017 | 870000* | 1367810 1367810 | 2.087 2.087 |
| 9 | Manju Agrawal | 487125 | 0.743 | 01.04.2016 29.03.2017 31.03.2017 | 894750* | 1381875 1381875 | 2.109 2.109 |
| 10 | Kanta Devi Agrawal | 482060 | 0.736 | 01.04.2016 31.03.2017 | - | 482060 | 0.736 |
| 11 | Basudeo Agrawal (HUF) | 464060 | 0.708 | 01.04.2016 31.03.2017 | - | 464060 | 0.708 |
| 12 | Mahabir Prasad Agrawal (HUF) | 464060 | 0.708 | 01.04.2016 31.03.2017 | - | 464060 | 0.708 |
| 13 | Sunil Kumar Agrawal (HUF) | 393750 | 0.601 | 01.04.2016 31.03.2017 | - | 393750 | 0.601 |
| 14 | Anirudha Agrawal | 1374560 | 2.097 | 01.04.2016 28.03.2017 31.03.2017 | (1374560)* | - - | - - |
| 15 | Sushil Kumar Agrawal (HUF) | 338250 | 0.516 | 01.04.2016 31.03.2017 | - | 338250 | 0.516 |
| 16 | Anuradha Agrawal | 66000 | 0.101 | 01.04.2016 28.03.2017 31.03.2017 | 504560* | 570560 570560 | 0.871 0.871 |

Note: * Inter se Transfer

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2016) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2016 to 31.03.2017) | |
|---------|---|--|----------------------------------|--|---|--|--|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 1 | Accolade Traders Private Limited | 3264875 | 4.982 | 01.04.2016 31.03.2017 | - | 3264875 | 4.982 |
| 2 | Attractive Vinimay Private Limited | 1816250 | 2.771 | 01.04.2016 31.03.2017 | - | 1816250 | 2.771 |
| 3 | Kalitara Glass Moulding Works Private Limited | 1913658 | 2.920 | 01.04.2016 31.03.2017 | - | 1913658 | 2.920 |
| 4 | Palash Machinerics Private Limited | 1514155 | 2.310 | 01.04.2016 31.03.2017 | - | 1514155 | 2.310 |
| 5 | Aradhana Properties Private Limited | 1467000 | 2.239 | 01.04.2016 31.03.2017 | - | 1467000 | 2.239 |
| 6 | B B Constructions Limited | 1026250 | 1.566 | 01.04.2016 31.03.2017 | - | 1026250 | 1.566 |
| 7 | Globe Capital Market Limited | 1322987 | 2.019 | 01.04.2016 08.04.2016 27.05.2016 22.07.2016 16.12.2016 13.01.2017 03.02.2017 10.02.2017 17.02.2017 24.02.2017 03.03.2017 31.03.2017 | 136* 2247* (2136)* (659)* (100)* 34* 5000* (5000)* (4034)* 2045 (2045)* (303)* | 1323123 1325370 1323234 1322575 1322475 1322509 1327509 1322509 1318475 1320520 1318475 1318172 | 2.019 2.022 2.019 2.018 2.018 2.018 2.026 2.018 2.012 2.015 2.012 2.011 |
| 8 | Mrs. Sudha Gupta | 375000 | 0.572 | 01.04.2016 31.03.2017 | - | 375000 | 2.015 |
| 9 | Linton Consultants Private Limited | 231088 | 0.353 | 01.04.2016 31.03.2017 | - | 231088 | 0.353 |
| 10 | Jai Salasar Balaji Industries Private Limited | 225000 | 0.343 | 01.04.2016 31.03.2017 | - | 225000 | 0.343 |

* Shares transfer

Note: The above information is based on the weekly beneficiary position received from Depositories.

E) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2016) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2016 to 31.03.2017) | |
|---------------------------------|---------------------------|--|----------------------------------|--|--------------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| DIRECTORS | | | | | | | |
| 1 | Mr Ajay Kumar Chakraborty | - | - | 01.04.2016 31.03.2017 | - | - | - |
| 2 | Dr Kali Kumar Chaudhuri | - | - | 01.04.2016 31.03.2017 | - | - | - |
| 3 | Mr Basudeo Agrawal | 10348615 | 15.791 | 01.04.2016 31.03.2017 | - | 10348615 | 15.791 |
| 4 | Mrs Smita Khaitan | - | - | 01.04.2016 31.03.2017 | - | - | - |
| 5 | Mr Sunil Kumar Agrawal | 4861368 | 7.718 | 01.04.2016 28.03.2017 29.03.2017 31.03.2017 | 5341178* (4861368)* | 10202546 5341178 5341178 | 15568 8.150 8.150 |
| 6 | Mr Vineet Agrawal | 8954735 | 13.664 | 01.04.2016 28.03.2017 29.03.2017 31.03.2017 | (8954735)* 8450175* | - 8450175 8450175 | - 12.894 12.894 |
| 7 | Mr Anirudha Agrawal | 1374560 | 2.097 | 01.04.2016 28.03.2017 31.03.2017 | (1374560)* | - - - | - - - |
| 8 | Mr Mrinal Kanti Pal | 396 | 0.000 | 01.04.2016 31.03.2017 | - | 396 | 0.000 |
| KEY MANAGERIAL PERSONNEL | | | | | | | |
| 1 | Mr Vivek Jain | - | - | 01.04.2016 31.03.2017 | - | - | - |
| 2 | Mr Deepak Chamaria | 20 | 0.000 | 01.04.2016 31.03.2017 | - | 20 | 0.000 |

* Inter se Transfer

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lacs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 9533.00 | - | - | 9533.00 |
| ii) Interest due but not paid | 14.34 | - | - | 14.34 |
| iii) Interest accrued but not due | 29.30 | - | - | 29.30 |
| Total (i+ii+iii) | 9576.64 | - | - | 9576.64 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | - | - | - | - |
| * Reduction | 599.59 | - | - | 599.59 |
| Net Change | (599.59) | - | - | (599.59) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 8942.18 | - | - | 8942.18 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 34.87 | - | - | 34.87 |
| Total (i+ii+iii) | 8977.05 | | | 8977.05 |

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

(₹ in Lacs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|---------|---|-------------------------|---------------------------------------|-------------------------------------|---------------|
| | | MD | WTD | WTD | |
| | | Sunil Kumar Agrawal | Basudeo Agrawal (w.e.f 21.07.2016) | Vineet Agrawal (upto 20.07.2016) | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 80.00 | 58.48 | 16.40 | 154.88 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | | | | |
| | - as % of profit | - | - | - | - |
| | - others, specify | - | - | - | - |
| 5 | Others, please specify | | | | |
| | Total (A) | 80.00 | 58.48 | 16.40 | 154.88 |
| | Ceiling as per the Act* | 120.00 | 83.62 | - | 203.62 |

*The Ceiling as per the Act has been calculated as per Schedule V for the proportionate period of appointment.

B. Remuneration to other directors

(₹ in Lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|--------------------------------------|--------------------------------------|------------------|------------------|---------------|
| | | Ajay Kumar Chakraborty | Kali Kumar Chaudhuri | Smita Khaitan | | |
| 1 | Independent Directors | | | | | |
| | Fee for attending board committee meetings | 0.23 | 0.28 | 0.27 | 0.78 | |
| | Commission | - | - | - | - | |
| | Others, please specify | - | - | - | - | |
| | Total (1) | 0.23 | 0.28 | 0.27 | 0.78 | |
| 2 | Other Non-Executive Directors | Basudeo Agrawal (upto 20.07.2016) | Vineet Agrawal (w.e.f 21.07.2016) | Mrinal Kanti Pal | Anirudha Agrawal | |
| | Fee for attending board committee meetings | 0.03 | 0.03 | 0.13 | 0.13 | 0.32 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | 0.03 | 0.03 | 0.13 | 0.13 | 0.32 |
| | Total (B)=(1+2) | - | - | - | - | 1.10 |
| | Total Managerial Remuneration* | - | - | - | - | 155.98 |
| | Overall Ceiling as per the Act** | - | - | - | - | 203.62 |

* Total Remuneration to Managing Director, Whole Time Director & other Directors (being the total of A & B)

**The Overall Ceiling as per the Act has been calculated as per Schedule V for the proportionate period of appointment.

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

(₹ in Lacs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | Total |
|---------|---|--------------------------|-------------------------|--------------|
| | | Company Secretary | Chief Financial Officer | |
| | | Vivek Jain | Deepak Chamaria | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 3.98 | 14.57 | 18.55 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | |
| | - as % of profit | - | - | - |
| | - others, specify | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | 3.98 | 14.57 | 18.55 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | -NONE- | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | -NONE- | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | -NONE- | | |
| Punishment | | | | | |
| Compounding | | | | | |

For and on behalf of the Board of Directors

 Place : Kolkata
 Dated : 18th May, 2017

Sunil Kumar Agrawal
 Managing Director
 DIN: 00091784

Mrinal Kanti Pal
 Director
 DIN: 00867865

CORPORATE GOVERNANCE REPORT

Your Company has complied with the provisions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

A report on the implementation of Corporate Governance by the Company as per the Listing Regulations is given below.

Philosophy of the Company on Corporate Governance:

The Company's philosophy on Corporate Governance is to ensure adoption of high standard of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and compliance with regulatory guidelines on Corporate Governance. The Company has adopted the principles of good Corporate Governance and is committed to adopt best relevant practices for governance to achieve the highest levels of transparency and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. As such, the Company aims at always remaining progressive, competent and trustworthy, creating and enhancing value of stakeholders and customers to their complete satisfaction. The Company continues to focus its resources, strengths and strategies to achieve the core values of quality, trust, leadership and excellence.

The Company is in compliance with all the requirements of the Corporate Governance norms as stipulated in Part C of the Schedule V of the Listing Regulations.

BOARD OF DIRECTORS

Composition of the Board:

As on 31st March, 2017, the Board of Directors of the Company comprised of 8 (Eight) Directors, of whom 3 (Three) are Independent Directors (including the Chairman and one Woman Director), 2 (Two) are Executive Directors including the Managing Director and 3 (Three) are Non-Executive Directors. The composition of the Board of Directors is in conformity with Companies Act, 2013 (hereinafter referred to as "Act") and the Listing Regulations.

The composition and category of Directors, their attendance at the Board Meetings and at the last Annual General Meeting (hereinafter referred to as 'AGM') held during the FY 2016-17 and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2017 are as given below. The gap between two Board meetings did not exceed one hundred and twenty days. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

| Name and DIN of the Directors | Category | Number of Board Meetings held during FY 2016-17 | Number of Board meetings attend during FY 2016-17 | Whether attended AGM held on 23rd September, 2016 | *No. of Directorship held in Public Limited Companies (including this Company) | | #No. of Committee positions held in Public Limited Companies (including this Company) | |
|---|------------------|---|---|---|--|--------------|---|------------------|
| | | | | | Chairman of the Board | Board Member | Chairman of the Committee | Committee Member |
| Mr. Ajay Kumar Chakraborty DIN: 00133604 | NEI/ Chairman | 6 | 4 | Yes | 4 | 5 | 4 | 5 |
| Mr. Anirudha Agrawal DIN: 06537905 | PD/NE | 6 | 6 | Yes | None | 2 | None | None |
| Mr. Basudeo Agrawal DIN: 00438754 | PD/WTD/ED | 6 | 6 | Yes | None | 3 | None | None |
| Dr. Kali Kumar Chaudhuri DIN: 00206157 | NEI | 6 | 6 | Yes | None | 7 | 5 | 10 |
| Mr Mrinal Kanti Pal DIN: 00867865 | NE | 6 | 6 | Yes | None | 2 | None | None |
| Mrs Smita Khaitan DIN: 01116869 | NEI | 6 | 6 | Yes | None | 6 | 3 | 8 |
| Mr. Sunil Kumar Agrawal DIN: 00091784 | PD/MD/ED | 6 | 6 | Yes | None | 3 | None | 4 |
| Mr. Vineet Agrawal DIN: 00441223 | PD/NE | 6 | 5 | Yes | None | 7 | None | 2 |

PD: Promoter Director; MD: Managing Director; NEI: Non Executive Independent Director, NE: Non Executive Director, WTD: Whole Time Director
ED: Executive Director

*This excludes Directorship held in Indian Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013.

**Committee refers to Audit Committee and Stakeholders Relationship Committee.

None of the Directors holds Directorships in more than the permissible number of companies under the Act, or Directorships/ Membership/Chairmanship of Board Committees as permissible under Regulations 25 and 26 of the Listing Regulations.

Disclosure of Relationships between Directors inter-se

Mr Basudeo Agrawal and Mr. Vineet Agrawal (Father & Son) / Mr. Sunil Kumar Agrawal and Mr. Anirudha Agrawal (Father & Son) are relatives within the meaning of section 2(77) of the Act.

Shares/Convertible Instruments held by the NEDs

The number of Shares held by Non Executive Directors as on 31st March, 2017 is as follows:

| Name of Non- Executive Directors | No of Shares Held |
|---|--------------------------|
| Vineet Agrawal | 8450175 |
| Anirudha Agrawal | NIL |
| Mrinal Kanti Pal | 396 |

Independent Directors

The Company has appointed Independent Directors on its Board for a term of 5 (Five) years w.e.f. 17th November, 2014, who shall hold office upto the conclusion of AGM to be held in the calendar year 2019. The Company ensured that the persons, who have been appointed as Independent Directors of the Company, have the requisite qualifications and experience which they would continue to contribute and would be beneficial to the Company. In terms of requirement of Section 149(7) of the Act read with Rules made thereunder and Listing Regulations, all Independent Directors have given declaration and the same has been noted in the Board meeting held on 18th May, 2017 that they meet the criteria of independence as stated in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

Formal letter of Appointment

A formal letter of appointment to Independent Directors has been issued at the time of appointment. The terms and conditions of their appointment is disclosed on the website of the Company at the following weblink, http://www.manaksia.com/pdf/Independent_Directors_Terms_Conditions-ALUMINIUM_website.pdf

Performance Evaluation

- **Board of Directors:**

As per the applicable provisions of the Act and Listing Regulations, the Board has to carry out evaluation of its performance, Committees of the Board and Individual Directors of the Company based on the criteria laid down by Nomination & Remuneration Committee. Feedback was sought by way of structured questionnaires covering various aspects of the Board's functioning/effectiveness, such as Board Structure, understanding Business including Risks, Ethics & Compliance, Governance, Strategy, Financial & Risk Awareness, Stakeholders Rights, Financial Reporting process including Internal Controls and Audit Function etc.

- **Independent Directors:**

Performance evaluation of Independent Directors was done by the entire Board of Directors excluding the Director being evaluated. On the basis of that evaluation the performance of the Independent Directors has been found satisfactory and the Board of Directors were of the view that the performance of the Independent Directors is beneficial for the Company. The parameters used by Board of Directors for the performance evaluation of Independent Directors:

- Roles and responsibilities to be fulfilled as an Independent Director
- Participation in Board Processes

Separate Meeting of the Independent Directors

During the Financial Year 2016-17, as per the requirement of Schedule IV of the Act and the Listing Regulations, 1 (One) separate meeting of Independent Directors was held on 28th May, 2016 without the presence of the Non-Independent Directors and the members of the management, to discuss the following:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman of the Company;
- To assess the quality, quantity and timeliness of flow of information.

Familiarization Programme for the Independent Director

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the operation of the Company, its business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis.

During the financial year 2016-17, no new Independent Director was appointed on the Board of the Company. However, on an ongoing basis Independent Directors were updated on matters inter-alia covering the Company's businesses & operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters (familiarization programmes). The details of Familiarization programme for Independent Directors is provided at the following weblink: http://www.manaksia.com/pdf/familiarization_programme_for_independent_directors.pdf

Board Agenda

The meetings of the Board are governed by a structured agenda. The Agenda for the Board Meeting covers items set out as per the requirements of the Act and the Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information and documents to enable the Board to take informed decisions. The Board members in consultation with the Chairman may bring upon other matters for consideration at the Board Meeting. Members of the Senior Management are occasionally present in the meeting as a special invitee as and when required. The Notice and Agenda of each Board Meeting is given in advance to all Directors.

Information placed before the Board

Necessary information as required under statute and as per the guidelines on Corporate Governance are placed before the Board, from time to time. The Board periodically reviews compliances of various laws applicable to the Company and the items required to be placed before it. Draft minutes are circulated amongst the Directors for their comments within the period stipulated under the applicable law. The minutes of the proceedings of the meetings are entered in the Minutes Book and thereafter signed by the Chairman.

Code of Conduct

The Company has adopted "Code of Conduct" for Board Members and Senior Management of the Company. The Code anchors ethical and legal behaviour within the organisation. The Code is available on the Company's weblink, <http://www.manaksia.com/images/pdf/coc/code-of-conduct-business-ethics-aluminium.pdf>.

All Board members and Senior Management Executives have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect forms part of this Annual Report.

Pursuant to the provisions of Section 149(8) of the Act, the Independent Directors shall abide by the provisions specified in Schedule IV of the Act, which lay down a code for Independent Directors. The said Schedule forms part of the appointment letter of the Independent Director, which has been placed on the website of the Company.

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy of the Company is available on the Company's website at the following weblink, <http://www.manaksia.com/images/pdf/corp-policies/Whistle-Blower-Policy-Aluminium.pdf>.

BOARD COMMITTEES

The Board of Directors of the Company play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate. Manaksia Aluminium Company Limited has 3 (Three) Board level committees:

- (a) Audit Committee
- (b) Nomination & Remuneration Committee
- (c) Stakeholders' Relationship Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms and reference for members of various committees. The minutes of all the Board and Committee meetings are placed before the Board and noted by the Directors present at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during financial year 2016-17 are as follows:

AUDIT COMMITTEE

The Company has in place a qualified and Independent Audit Committee. The terms of reference of the Audit Committee includes the powers as laid down in Regulation 18(2)(c) and role as stipulated in Regulation 18(3) of the Listing Regulations read with Section 177 of the Act. The Audit Committee also reviews the information as per the requirement of Regulation 18(3) of the Listing Regulations read with Section 177 of the Act.

The brief description of the terms of reference of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to :
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency for monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Composition

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of the Listing Regulations and Section 177 of the Act. All members of the Audit Committee have the ability to read and understand the financial statements.

As on 31st March, 2017, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Executive Director. The Chairman of the Committee is an Independent Director. The composition consists of Mr. Ajay Kumar Chakraborty (Chairman), Dr. Kali Kumar Chaudhuri, Mrs. Smita Khaitan and Mr. Sunil Kumar Agrawal are members of the Committee. The Company Secretary, Mr. Vivek Jain acts as Secretary to the Committee.

The Audit Committee meetings are also attended by Chief Financial Officer (CFO), representatives of Statutory Auditors, representatives of Internal Auditors and Senior Executives of the Company, if required.

Meetings and Attendance

5 (Five) Audit Committee meetings were held during the year. The dates on which the Audit Committee meetings were held are 16th May, 2016, 20th July, 2016, 11th August, 2016, 24th September, 2016, 9th November, 2016, and 7th February, 2017. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2016-17 | |
|----------------------------|---|----------|
| | Held | Attended |
| Mr. Ajay Kumar Chakraborty | 6 | 4 |
| Dr. Kali Kumar Chaudhuri | 6 | 6 |
| Mrs. Smita Khaitan | 6 | 6 |
| Mr. Sunil Kumar Agrawal | 6 | 6 |

The Chairman of the Audit Committee was present at the last AGM held on 23rd September, 2016.

NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has in place the Nomination & Remuneration Committee. The terms of reference, inter-alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Composition

As on 31st March, 2017, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Non-Executive Director. The Chairman of the Committee is an Independent Director. Dr. Kali Kumar Chaudhuri (Chairman), Mr. Vineet Agrawal*, Mr. Ajay Kumar Chakraborty and Mrs. Smita Khaitan are members of the Committee. The Company Secretary, Mr. Vivek Jain acts as Secretary to the Committee.

**Appointed as member of Nomination & Remuneration Committee during the year.*

The composition of the Committee is in line with the requirement given in Section 178 of the Act and Regulation 19 of the Listing Regulations.

Meeting and Attendance

1(One) Nomination & Remuneration Committee meetings was held during the year ended 31st March, 2017 which was held on 20th July, 2016. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2016-17 | |
|----------------------------|---|----------|
| | Held | Attended |
| Dr. Kali Kumar Chaudhuri | 1 | 1 |
| Mr. Ajay Kumar Chakraborty | 1 | 1 |
| Mr. Basudeo Agrawal* | 1 | 1 |
| Mrs. Smita Khaitan | 1 | 1 |

*Mr. Basudeo Agrawal was member of Nomination & Remuneration Committee till 20th July, 2016.

The Chairman of the Nomination and Remuneration Committee attended the last AGM held on 23rd September, 2016.

Remuneration Policy

The Managing Director and Whole-time Director are paid remuneration as per their agreements with the Company. These agreements are approved by the Board and also placed before the shareholders for their approval. The remuneration structure of the Managing Director and the Whole-time Director comprises salary, perquisites and other benefits which are within the limits prescribed under the Act. The Managing Director and Whole-time Director are not paid sitting fee for attending Meetings of the Board or Committees thereof.

The Directors are not entitled to any other benefits, bonuses, pension etc. and are also not entitled to performance linked incentives. The Company does not have any Employee Stock Option Scheme.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof as per the prescribed limit under the applicable law. The sitting fees paid to the Non-Executive Directors for attending the meetings of the Board and Audit Committees is ₹ 7500/- per meeting (w.e.f. 7th February, 2017) as approved by the Board in its meeting held on 7th February, 2017 (prior to 7th February, 2017 sitting fees paid to the Non-Executive Directors for attending the meetings of the Board and Audit Committee was ₹ 1000/- per meeting) and for attending Other Committee meetings is ₹ 1000/- per meeting. The remuneration paid to the Executive Directors is within the limits approved by the Shareholders of the Company.

Details of Remuneration paid to Directors for the Financial Year ended 31st March, 2017:

(₹ in Lacs)

| Name of the Director | Service contract/Notice period | Salary** | Sitting Fees |
|----------------------------|---|----------|--------------|
| Mr. Sunil Kumar Agrawal | Appointed as Managing Director for a period of 3 (Three) year w.e.f 23 rd November, 2014 | 80.00 | - |
| Mr. Basudeo Agrawal* | Appointed as Whole-time Director for a period of 3 (Three) year w.e.f 21 st July, 2016 | 58.48 | 0.03 |
| Mr. Vineet Agrawal | Change in designation from Whole-time Director to Non Executive Director w.e.f 21 st July, 2016 | 16.40 | 0.03 |
| Mr. Ajay Kumar Chakraborty | Appointed as Non-Executive Independent Director for a period of 5 (Five) year w.e.f 17 th November, 2014 | - | 0.23 |
| Dr. Kali Kumar Chaudhuri | Appointed as Non-Executive Independent Director for a period of 5 (Five) year w.e.f 17 th November, 2014 | - | 0.28 |
| Mr. Anirudha Agrawal | Appointed as Non-Executive Director w.e.f 17 th November, 2014 | - | 0.13 |
| Mrs. Smita Khaitan | Appointed as Non-Executive Independent Director for a period of 5 (Five) year w.e.f 17 th November, 2014 | - | 0.27 |
| Mr. Mrinal Kanti Pal | Appointed as Non-Executive Director w.e.f 23 rd November, 2014 | - | 0.13 |

*Appointed as Whole-time Director w.e.f 21st July, 2016 (Till 20th July, 2016 served as Non-Executive Director)

**No Commission, Perquisites and other allowances were paid to Directors during the year 2016-17.

The agreements entered into with the Managing Director/Whole Time Director(s) are for a period of 3 (Three) years from the respective dates of appointment/re-appointment.

The sitting fees include fees paid for committee meetings. The Company does not pay any performance incentive or severance fees. Apart from the above-mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2016-17.

None of the Directors hold any stock options in the Company.

The criteria for making payment to Non-Executive Directors is a part of the Remuneration Policy which forms the part of the Directors' Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee. The terms of reference of the Committee inter-alia includes the following:

1. Redressal of shareholder and investor complaints like transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends, interests etc;
2. Reference to statutory and regulatory authorities regarding investor grievances;
3. To ensure proper and timely attendance and redressal of investor queries and grievances;
4. Oversee the performance of Registrar and Share Transfer Agent;
5. To approve the request for transfer, transmission, etc. of shares;
6. To approve the dematerialization of shares and rematerialisation of shares, splitting and consolidation of Equity Shares and other securities issued by the Company;
7. Review of cases for refusal of transfer / transmission of shares and/or any other securities as may be issued by the Company from time to time, if any;
8. To review from time to time overall working of the secretarial department of the Company;
9. Relating to the shares of our Company and functioning of the share transfer agent and other related matters.
10. To consider and approve issue of duplicate / split / consolidated share certificates;
11. To issue duplicate certificates and new certificates on split/consolidation/renewal etc.;
12. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended by the Committee.

Composition

As on 31st March, 2017, the Committee comprised of 1 (One) Independent Director and 2 (Two) Executive Directors. Dr. Kali Kumar Chaudhuri (Chairman), Mr Sunil Kumar Agrawal and Mr Vineet Agrawal are members of the Committee. Mr. Vivek Jain, Company Secretary of the Company acts as Secretary to the Committee.

Meetings and Attendance

1(One) Stakeholders Relationship Committee meeting was held during the year ended 31st March, 2017 on 7th February, 2017. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2016-17 | |
|--------------------------|---|----------|
| | Held | Attended |
| Dr. Kali Kumar Chaudhuri | 1 | 1 |
| Mr. Sunil Kumar Agrawal | 1 | 1 |
| Mr. Vineet Agrawal | 1 | - |

Investor's Complaints

Details of Investors Complaints received and redressed during the financial year 2016-17:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| Nil | 6 | 6 | Nil |

It is the endeavour of the Company to attend investors' complaints and other correspondence within 15 days except where constrained by disputes or legal impediments. In terms of SEBI circular, the Company has obtained necessary SCORES (SEBI Complaints Redressal System) authentication. This has facilitated the investors to view online status of the action taken against the complaints made by logging on to SEBI's website www.sebi.gov.in. Mr Vivek Jain, Company Secretary of the Company has been designated as Compliance Officer for speedy redressal of the Investor complaints. As on date, as per the Report, the Company affirms that no shareholder's complaint was lying pending under SCORES.

GENERAL BODY MEETINGS

A) Annual General Meetings :

The location and time of last three AGMs held is as under:

| No. | Financial Year / Time | Date | Venue | Special Resolutions passed |
|---------------------|-----------------------|------------|---|----------------------------|
| 6 th AGM | 2015-16 4.00 P.M | 23.09.2016 | Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Bevedere Road, Kolkata- 700 027 | 2 |
| 5 th AGM | 2014-15 02.00 P.M | 25.09.2015 | Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Bevedere Road, Kolkata- 700 027 | 4 |
| 4 th AGM | 2013-14 10.30 A.M | 10.09.2014 | Bikaner Building, 8/1, Lal Bazar Street, 3rd Floor, Kolkata - 700 001 | 4 |

(B) Extra-Ordinary General Meeting

During the financial year 2016-17, no Extra Ordinary General Meeting of the Company was held.

(C) Special resolution through Postal Ballot

No Special Resolution was passed through the postal ballot during financial year 2016-17. None of the business proposed to be transacted in the ensuing AGM require passing of special resolution through postal ballot.

SECRETARIAL AUDIT REPORT

The Company has undertaken Secretarial Audit for the financial year 2016-17 which, inter-alia, includes audit of compliance with the Act, 2013, and the Rules made thereunder, the Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India, Foreign Exchange Management Act, 1999 and other applicable laws, if any.

The Secretarial Audit Report is part of this Annual Report.

MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the quarterly, half-yearly and yearly financial results in the proforma prescribed under Regulation 33 of the Listing Regulations.

The Company sends such approved financial results to the BSE Limited and National Stock Exchange of India Limited. These results are also published in leading newspapers like Financial Express/ Business Standard (English) and Ek Din/ Dainik Statesman (Bengali), etc.

The financial results and the official news releases of the Company are displayed on the website of the Company at www.manaksia.com.

As required, the quarterly financial results are published in the press and are also posted on the website of the Company.

As mandated by Ministry of Corporate Affairs (MCA), the Company sends Annual Report, Notices, etc to the shareholders at their email address registered with their Depository Participants and /or Company's Registrar and Share Transfer Agent. To continue its support to the GREEN INITIATIVES measures of MCA, the Company during the financial year 2016-17, through its various communications has requested shareholders to register and/or update their email address with the Company's RTA, in case shares held in physical mode and with their respective Depository Participants, in case of shares held in dematerialized mode.

The Company has not made any presentation to the institutional investors /analysts during the financial year 2016-17.

In compliance with the requirement of the Listing Regulations, the official website of the Company contains information about its business, shareholding pattern, compliance with corporate governance, contact information of the compliance officer, etc. and the same are updated at any given point of time.

DISCLOSURES

Related Party Transactions

The transactions entered into with related parties during the financial year 2016-17 were on arm's length basis and in the ordinary course of business pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014. Further there are no materially significant related party transactions during the financial year 2016-17 which may have a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee and also to the Board for necessary approval.

The Company has not entered into any material Related Party Transaction during the year. In line with the requirement of the Act and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available at Company's website www.manaksia.com and the weblink thereto is http://www.manaksia.com/pdf/macl/policy_on_related_party_transaction_aluminium.pdf. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

The details of the significant related party transactions have been disclosed by way of Note No. 30 of Financial Statements 2016-17.

Details of Non Compliance by the Company

The Company has complied with all the requirements of regulatory authorities. There were no non-compliances by the Company and no instance of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority during the last three years.

Compliance with Mandatory Requirements

The Company has complied with all applicable mandatory requirements of the Listing Regulations and Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

Accounting Treatment

In preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards laid down by the Institute of Chartered Accountants of India.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of this Annual Report.

Disclosure regarding Appointment/Re-appointment of the Directors

The brief resume and other information required to be disclosed under this Section is provided in the Notice of the AGM.

Resignation of Directors

During the financial year 2016-17, none of the Directors have resigned from their Directorship.

Subsidiary

The Company does not have any subsidiaries.

Foreign Exchange Risk

The Company does not speculate in foreign exchange. The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's risk management policy approved by the Board.

Proceeds from Public Issue

During the year under review, the Company has not accepted any proceeds from Public issue.

Managing Director/ CFO Certification

The Managing Director and Chief Financial Officer of the Company have given a certificate to the Board of Directors of the Company under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2017. The certificate forms part of this Annual Report.

Pursuant to Regulation 33 of the Listing Regulations, the Managing Director and Chief Financial Officer also give quarterly certification on financial results while placing the same before the Board.

Compliance Certificate of the Auditors

Certificate from the Company's Auditor M/s. S. K. Agrawal & Co., confirming compliance with conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.

Code for Prevention of Insider Trading Practices

The Company has instituted mechanism to avoid Insider Trading and abusive self-dealing. In accordance with the SEBI Regulations as amended, the Company has established systems and procedures to restrict insider trading activity and has framed a Code for Prohibition of Insider Trading. The said Code prohibits the Directors, KMPs and other Connected Person of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The objective of this Code is to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. The Board of Directors of the Company through circular resolution passed on 15th May, 2015 has adopted a new Prohibition of Insider Trading code and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in line with the new SEBI (Prohibition of Insider Trading) Regulations, 2015.

The details of dealing in Company's shares by Directors, Designated Persons, Officers and Connected Persons are placed before the Board at its next meeting. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company www.manaksia.com and the weblink thereto is http://www.manaksia.com/corp_policy_aluminium.php.

AFFIRMATION AND DISCLOSURE

There were no materially financial or commercial transaction, between the Company and members of the Management that may have a potential conflict with the interest of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

GENERAL SHAREHOLDER INFORMATION

- a) **Annual General Meeting:**
- | | | |
|---|---|---|
| <p>Date :</p> <p>Time :</p> <p>Venue :</p> | } | <p>As mentioned in the Notice convening the Annual General Meeting for the Financial Year 2016-17</p> |
|---|---|---|
- b) **Financial Calendar :** 1st April, 2016 – 31st March, 2017.

The Financial results will be declared as per the following schedule:

| Particulars | Schedule |
|--|--|
| Quarter ended 30 th June 2017 | On or before 14 th August, 2017 (Tentative) |
| Quarter ending 30 th September 2017 | On or before 14 th November, 2017 (Tentative) |
| Quarter ending 31 st December 2017 | On or before 14 th February, 2018 (Tentative) |
| Annual Results of 2017-18 | On or before 30 th May, 2018 (Tentative) |

- c) **Dates of Book Closure :** As mentioned in the Notice convening the Annual General Meeting for the Financial Year 2016-17.
- d) **Dividend Payment :** The Board of Directors of the Company do not recommend any dividend on Equity Shares for the financial year 2016-17.
- e) **Listing on Stock Exchanges:**
- (i) National Stock Exchange of India Limited (NSE)
Exchange Plaza, C-1, Block "G", Bandra Kurla Complex,
Bandra East, Mumbai - 400 051
 - (ii) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- The annual listing fees have been paid to the Stock Exchanges for the year 2017-18.*
- f) **Custodial Fees to Depositories:** Annual Custody/Issuer fee for the financial year 2017-18 has been paid to NSDL and CDSL.
- g) **Unclaimed shares lying in the Demat Suspense Account :**

The Company has opened a separate demat account in the name of "Manaksia Aluminium Company Limited-Suspense Account" in order to credit the unclaimed shares of the IPO of Manaksia Limited which could not be allotted to the rightful shareholders due to insufficient/incorrect information or for any other reason. The Voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares. In terms of requirement of the Listing Regulations, the details of shares

lying in the aforesaid demat account are as:

| Particulars | No. of Shares | No. of shareholders |
|--|---------------|---------------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2016. | 3285 | 37 |
| Number of shareholders who approached Company for transfer of shares from suspense account during the year. | - | - |
| Number of shareholders to whom shares were transferred from suspense account during the year. | - | - |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2017 | 3285 | 37 |

Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., shall also be credited to the aforesaid suspense account. Shareholders who have yet not claimed their shares are requested to immediately approach the Company/Registrar and Share Transfer Agent of the Company along with documentary evidence, if any.

- h) **Stock Code :** ISIN No. : INE859Q01017
National Stock Exchange of India Limited : MANAKALUCO
BSE Limited : 539045

i) **Share Transfer System :**

99.99% of shares of the Company are held in electronic mode. Intimation about transfer/transmission of these shares to RTA is done through the depositories i.e. NSDL & CDSL with no involvement of the Company.

For transfer of shares in physical mode, the transfer documents should be sent to the office of the RTA. All share transfers are completed within the stipulated statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Stakeholders Relationship Committee has been delegated with the authority to approve transfer and/or transmissions of shares and other related matters.

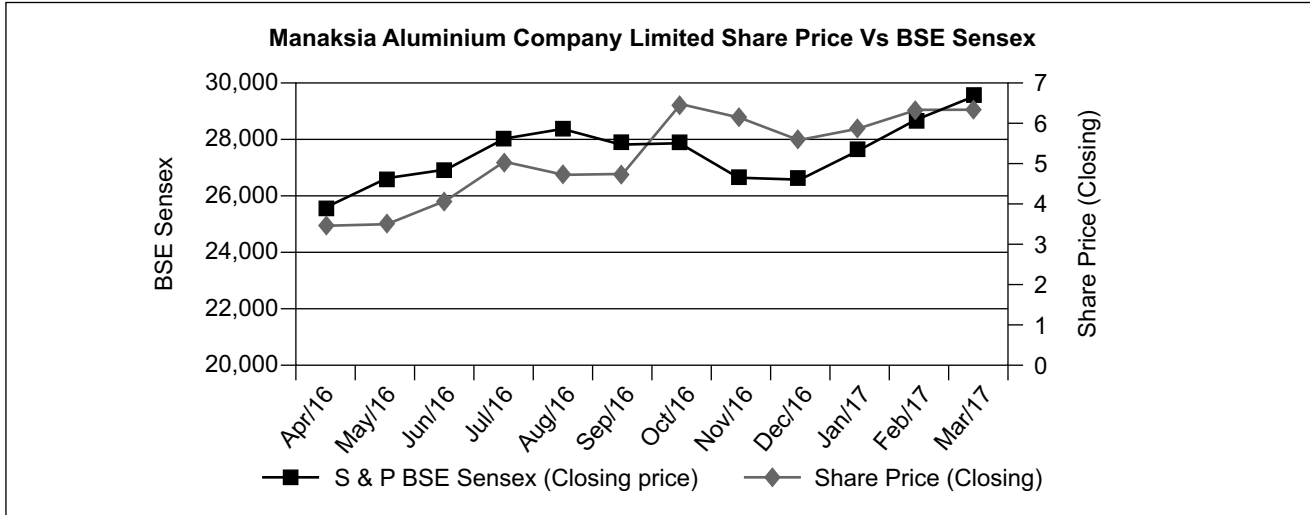
The half year Compliance Certificate pursuant to Regulation 40 (9) of the Listing Regulations for the half year ended 30th September, 2016 and 31st March, 2017 from Practicing Company Secretary have been submitted to the Stock Exchanges within the stipulated time.

Pursuant to provisions of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 the Company has submitted Reconciliation of Share Capital Audit Report on quarterly basis to the Stock Exchanges within the stipulated time.

j) **Market Price Data**

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE during the financial year 2016-17 are given hereunder:

| Month | BSE Limited (BSE) | | | National Stock Exchange of India Limited (NSE) | | |
|-----------------|-------------------|-------|-------------------------------|--|-------|-------------------------------|
| | High ₹ | Low ₹ | Total Number of Shares Traded | High ₹ | Low ₹ | Total Number of Shares Traded |
| April, 2016 | 3.73 | 2.72 | 70,647 | 4.00 | 2.50 | 77,134 |
| May, 2016 | 4.09 | 3.05 | 35,940 | 3.95 | 3.25 | 80,957 |
| June, 2016 | 5.18 | 3.11 | 1,57,066 | 5.25 | 2.85 | 3,33,243 |
| July, 2016 | 6.06 | 4.13 | 1,57,462 | 5.25 | 2.95 | 5,58,570 |
| August, 2016 | 6.36 | 4.70 | 76,341 | 6.10 | 4.60 | 2,70,910 |
| September, 2016 | 5.47 | 4.26 | 59,439 | 5.55 | 4.25 | 2,30,228 |
| October, 2016 | 7.25 | 4.60 | 1,07,211 | 7.20 | 4.65 | 3,42,964 |
| November, 2016 | 7.74 | 3.88 | 69,775 | 7.20 | 4.35 | 1,80,615 |
| December, 2016 | 6.90 | 4.79 | 76,218 | 6.60 | 4.75 | 1,37,465 |
| January, 2017 | 6.54 | 5.01 | 1,07,780 | 6.35 | 4.20 | 2,94,472 |
| February, 2017 | 9.30 | 5.63 | 4,33,391 | 9.30 | 5.25 | 7,71,509 |
| March, 2017 | 6.70 | 5.61 | 1,98,76,468 | 6.55 | 5.50 | 4,29,977 |

Performance in comparison with BSE Sensex

k) Registrar and Share Transfer Agent (RTA) :

Link Intime India Private Limited is acting as the Registrar and Share Transfer Agent of the Company.

The address of the Registrar is given hereunder:

Link Intime India Private Limited
59C, Chowringhee Road, 3rd Floor,
Room No.5, Kolkata – 700 020
Ph: +91-33-2289 0540, Fax: +91-33-2289 0539
Contact Person: Mr. S P Guha, Email id: kolkata@linkintime.co.in

l) Distribution of Equity Shareholding as on 31st March , 2017

| No. of Equity shares held | Shareholders | | Shares | |
|---------------------------|--------------|------------|-----------------|------------|
| | From – To | Number | % Total Holders | Number |
| 1 – 500 | 23151 | 94.25 | 2297937 | 3.51 |
| 501 – 1000 | 597 | 2.43 | 491576 | 0.75 |
| 1001 – 2000 | 338 | 1.38 | 521778 | 0.80 |
| 2001 – 3000 | 121 | 0.49 | 308654 | 0.47 |
| 3001 – 4000 | 63 | 0.26 | 223781 | 0.34 |
| 4001 – 10000 | 133 | 0.54 | 828059 | 1.26 |
| 10001 and above | 160 | 0.65 | 60862265 | 92.87 |
| TOTAL | 24563 | 100 | 65534050 | 100 |

m) Categories of Equity Shareholders as on 31st March , 2017

| Sl. No. | Category | No. of Shares | % of Shareholdings |
|---------|--|-----------------|--------------------|
| 1 | Promoters Group | 42277940 | 64.51 |
| 2 | Mutual Funds & UTI | Nil | Nil |
| 3 | Financial Institutions / Banks | 19208 | 0.03 |
| 4 | Central Government / State Government(s) | Nil | Nil |
| 5 | Venture Capital Fund | Nil | Nil |
| 6 | Foreign Institutional Investors | Nil | Nil |
| 7 | Foreign Venture Capital Investors | Nil | Nil |
| 8 | Bodies Corporate | 14993964 | 22.88 |
| 9 | Public | 8169091 | 12.47 |
| 10 | NRI's / OCB's / Foreign National | 73847 | 0.11 |
| | TOTAL | 65534050 | 100 |

The Non Promoter shareholding is in compliance with the Listing Regulations.

n) **Dematerialization of Equity Shares**

The shares of the Company are currently traded only in dematerialized form and the Company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE859Q01017. As on 31st March 2017, 65532580 equity shares representing about 99.99% of the share capital are held in dematerialized form.

o) **Outstanding GDRs / ADRs / Warrants / Other Convertible instruments: Nil**

p) **Commodity Price Risk and Hedging Activities:**

The Company considers exposure to commodity price fluctuations to be an integral part of its business and its usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements. The Company's reputation for quality, products differentiation and service, coupled with existence of brand image with marketing network mitigates the impact of price risk on finished goods.

q) **Plants Locations (Manufacturing Units as on 31st March 2017)**

| | |
|--|---|
| Haldia: Vill & PO: Bhuniraichak, Via Sutahata, Haldia, West Bengal - 721 635 | Bankura: Plot No.: 471 Birsighapur, P.S. Barjora Bankura, West Bengal - 722 202 |
|--|---|

r) **Address for Correspondence :**

Manaksia Aluminium Company Limited
Bikaner Building, 3rd Floor
8/1, Lalbazar Street, Kolkata – 700 001
Phone No.: +91-33-2231 0050
Fax No.: +91-33-2230 0336
Email: investorrelmalco@manaksia.com
Website: www.manaksia.com

COMPLIANCE WITH THE GOVERNANCE FRAMEWORK

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of the Listing Regulations.

The Company has complied with the applicable requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

COMPLIANCE OFFICER

Mr Vivek Jain, Company Secretary of the Company has been designated as the Compliance officer for complying with the requirements of the Securities Law and the Listing Regulations.

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS.

The status of compliance with discretionary recommendations of Regulation 27 of the Listing Regulations are provided below:

- **Non-Executive Chairman's Office:** The Company maintains a separate office of Non-Executive Independent Chairman and provides for reimbursement of expenses incurred in performance of his duties.
- **Shareholders' Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- **Modified Opinion in Auditors Report:** The Company's financial statement for the financial year 2016-17 does not contain any modified audit opinion.
- **Separate posts of Chairman and Managing Director:** The position of the Chairman is held by Mr Ajay Kumar Chakraborty and of the Managing Director is held by Mr. Sunil Kumar Agrawal.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 18th May, 2017

Sunil Kumar Agrawal
Managing Director
DIN: 00091784

Mrinal Kanti Pal
Director
DIN: 00867865

CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the persons concerned for the Financial Year ended 31st March, 2017.

Place : Kolkata
Dated : 18th May, 2017

Sunil Kumar Agrawal
Managing Director
DIN: 00091784

MD / CFO CERTIFICATION

**The Board of Directors
Manaksia Aluminium Company Limited**

Dear Sirs

We have reviewed the financial statements and the cash flow statement of Manaksia Aluminium Company Limited ('the Company') for the financial year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that:

- (a) (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. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we 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 Manaksia Aluminium Company Limited

Sunil Kumar Agrawal
(Managing Director)
DIN: 00091784

Deepak Chamaria
(Chief Financial Officer)

Place : Kolkata
Dated: 18th May, 2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of **Manaksia Aluminium Company Limited**

We have examined the compliance of conditions of Corporate Governance by Manaksia Aluminium Company Limited ('the Company'), for the year ended 31st March 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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 the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

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 **S. K. AGRAWAL & CO.**
Chartered Accountants
ICAI Firm Registration No-306033E

Hemant Kumar Lakhota
Partner
Membership No: 068851

Place : Kolkata
Dated : 18th May, 2017

Form No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE PERIOD FROM APRIL 1, 2016 TO MARCH 31, 2017**

[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]

To,
The Members,
Manaksia Aluminium Company Limited
Bikaner Building,
8/1, Lal Bazar Street, 3rd Floor
Kolkata - 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manaksia Aluminium Company Limited (hereinafter called "the Company"). 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 (as per Annexure, hereinafter referred to as "Books and Papers") 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 period covered by our audit, that is to say, from April 01, 2016 to March 31, 2017 (hereinafter referred to as "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:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :-
 - a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. 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;
6. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;
7. Laws specifically applicable to the industry to which the Company belongs: We have been intimated by the Company that no specific laws are applicable to it.

Management Responsibility:

1. Maintenance of secretarial records 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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, 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 or examined any books, information or statements other than Books and Papers;
4. Wherever 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 procedure 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.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices, separately placed before the Board, for its necessary consideration and implementation by the Company.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations.

We report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The number of directors liable to retire by rotation is in compliance with provisions of Section 152 (6) of the Act, which provides that 2/3rd of the total directors (except independent directors) of the Company shall be such whose period of office will be liable to determination by retirement of directors by rotation.

All the changes in the composition of the Board of Directors during the Audit Period were made in due compliance of the various provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings. However, detailed notes on agenda were sent to the board of directors prior to the meeting.

All decisions of the board were taken with the requisite majority and recorded as part of the minutes.

We further report that subject to above the Company has complied with the conditions of Corporate Governance as stipulated in the Act and Listing Regulations.

We further report that based on the information provided by the Company during the conduct of the audit and also on the review of quarterly compliance reports by Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable other general laws.

We further report that during the Audit Period, the Company has not incurred any specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Vinod Kothari & Company**
Practising Company Secretaries

Arun Kumar Maitra
(Partner)
Membership No.: 3010
C P No.: 14490

Place : Kolkata
Dated : 9th May, 2017

ANNEXURE

List of Documents

1. Corporate Matters

- 1.1 Minutes books of the following Committees were provided:
 - 1.1.1 Board Meeting;
 - 1.1.2 Audit Committee;
 - 1.1.3 Nomination & Remuneration Committee;
 - 1.1.4 Stakeholders Relationship Committee;
 - 1.1.5 General Meeting;
- 1.2 Agenda papers for Board Meeting along with Notice;
- 1.3 Annual Report 2016;
- 1.4 Memorandum and Articles of Association;
- 1.5 Disclosures under Act and Rules made thereunder;
- 1.6 Forms and returns filed with the ROC & RBI;
- 1.7 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015;
- 1.8 FDI file;
- 1.9 Documents under SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 2015;
- 1.10 Registers maintained under the Act.

A. CONSERVATION OF ENERGY:

i) The steps taken or impact on conservation of energy:

Energy conservation receives priority attention on an on-going basis throughout the Company, and continuous efforts are made to conserve and optimize use of energy with continuous monitoring, regular maintenance and improved operating techniques. Some specific steps taken include:

- Maintenance of near unity Power Factor; Installation of capacitors to improve PF
- Optimization of loading efficiency of Furnace.
- Use of natural lighting, wherever feasible; replacing of conventional lamps with energy efficient lighting
- System validation and optimization of blower speeds in AHU units;
- Conducting training programmes at various factories for conservation of energy.

ii) The steps taken by the Company for utilizing alternate sources of energy:

Company has Coal Gasifier installed at the factory as an alternative source of energy.

iii) The capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION:

i) The efforts made towards technology absorption:

- Improvement in manufacturing process
- Increasing of Automation of production side
- Installing upgraded pollution control equipments for Air/water.

ii) The benefits derived include:

- Improvement in Market Share
- Improvement in Productivity
- Energy conservation
- Increase in in-house capability.

iii) No fresh technology has been imported during the year;

iv) The expenditure on Research & Development: - NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were ₹ 18,845.20 Lakhs (Previous year ₹ 21,374.21 Lakhs) and foreign exchange outgo was ₹ 18,994.30 Lakhs (Previous year ₹ 20,813.15 Lakhs)

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 18th May, 2017

Sunil Kumar Agrawal
Managing Director
DIN: 00091784

Mrinal Kanti Pal
Director
DIN: 00867865

**REMUNERATION POLICY
OF
MANAKSIA ALUMINIUM COMPANY LIMITED**

FRAMED UNDER SECTION 178(3) OF COMPANIES ACT, 2013 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I. INTERPRETATION CLAUSES

For the purpose of this Policy references to the following shall be construed as:

| | | |
|-----------------------------------|---|--|
| "Applicable Law" | : | shall mean the Companies Act, 2013 and allied rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any other statute, law, standards, regulations or other governmental instruction as may be applicable to the Company from time to time. |
| "Company" | : | refers to Manaksia Aluminium Company Limited. |
| "Board" | : | refers to the Board of Directors of the Company. |
| "Committee" | : | refers to Nomination & Remuneration Committee of Board of Directors of the Company. |
| "Directors" | : | refers to the Chairperson and all whole-time Directors. |
| "Executives" | : | refers to the Directors, key managerial personnel and senior management. |
| "Key Managerial Personnel" | : | refers to the Managing Director, Manager, Chief Executive Officer, Chief Financial Officer, Company Secretary and any such other officer as may be prescribed under Applicable Law. |
| "Policy" or "this Policy" | : | shall mean the contents herein including any amendments made by the Board of Directors of the Company. |
| "Senior Management" | : | means personnel of the Company who are members of its core management team Excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads. |

All terms not defined herein shall take their meaning from the Applicable Law.

II. EFFECTIVE DATE

This Policy shall become effective from the date of its adoption by the Board.

III. SCOPE

- a) This Policy applies to all the "Executives" of the Company.
- b) In addition, this Policy also extends to the Remuneration of Non-Executive Directors, including principles of selection of the Independent Directors of the Company.
- c) The Board of Directors has adopted the remuneration Policy at the recommendation of the Committee. This Policy shall be valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter.
- d) In order to comply with local regulations, the Company may have remuneration policies and guidelines which shall apply in addition to this Policy.

The Board of Directors of the Company may deviate from this Policy if there are explicit reasons to do so in individual case(s). Any deviations on elements of this Policy under extraordinary circumstances, when deemed necessary in the interests of the Company, shall be reasoned and recorded in the Board's minutes and shall be disclosed in the Annual Report or, in case of an appointment, in good time prior to the appointment of the individual.

IV. PURPOSE

This Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. This Policy will also help the Company to attain optimal Board diversity and create a basis for succession planning. In addition, it is intended to ensure that –

- a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- c) remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

V. GUIDING PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT

The guiding principle is that the remuneration and the other terms of employment for the Executives shall be competitive in order to ensure that the Company may attract and retain competent Executives. In determining the Policy, the Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other multinational companies operating in national and global markets.

VI. RESPONSIBILITIES AND POWERS OF THE COMMITTEE

The Committee, in addition to the functions and powers as endued by its terms of reference, would also be responsible for –

- a) preparing the Board's decisions on issues concerning principles for remunerations (including pension and severance pay) and other terms of employment of Executives and Non-Executive Directors;
- b) formulating criteria of qualifications and positive attributes to assist the Company in identifying the eligible individuals for the office of Executives;
- c) monitoring and evaluating programs for variable remuneration, if any, both ongoing and those that have ended during the year, for Executives and Non-Executive Directors;
- d) monitoring and evaluating the application of this Policy;
- e) monitoring and evaluating current remuneration structures and levels in the Company.

VII. PRINCIPLES FOR SELECTION OF INDEPENDENT DIRECTORS

The nomination of the independent Directors of the Company shall be in accordance with the principles as stated hereunder and other relevant provisions of Applicable Law:

- (a) is a person of integrity and possesses relevant expertise and experience;
- (b) is or was not a promoter of the Company or its holding, subsidiary or associate company and not related to promoters or Directors in the Company, its holding, subsidiary or associate company;
- (c) has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters or Directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of (a) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or (b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (iv) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the Company;
- f) shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

VIII. OVERALL CRITERIA FOR SELECTION OF EXECUTIVES

The assessment for Senior Management will be done on the basis of below parameters by the concerned interview panel of the Company :-

a) **Competencies:**

- Necessary skills (Leadership skill, Communication skills, Managerial skills etc)
- Experiences & education to successfully complete the tasks.
- Positive background reference check.

b) **Capabilities:**

- Suitable or fit for the task or role.
- Potential for growth and the ability and willingness to take on more responsibility.
- Intelligent & fast learner, Good Leader, Organiser & Administrator, Good Analytical skills Creative & Innovative.

c) **Compatibility:**

- Can this person get along with colleagues, existing and potential clients and partners.
- Strong Interpersonal Skills.
- Flexible & Adaptable.

d) **Commitment:**

- Candidate's seriousness about working for the long term
- Vision & Aim

e) **Character:**

- Ethical, honest, team player

f) **Culture:**

- Fits with the Company's culture (Every business has a culture or a way that people behave and interact with each other. Culture is based on certain values, expectations, policies and procedures that influence the behavior of a leader and employees. Employees who don't reflect a company's culture tend to be disruptive and difficult).
- Presentable & should be known for good social & corporate culture.

IX. GENERAL POLICIES FOR REMUNERATION

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package.

1. **A fixed base salary** - Set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites** – In the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
3. **Retirement benefits** - Contribution to Provident Fund, superannuation, gratuity, etc as per Company Rules, subject to Applicable Law.
4. **Motivation/ Reward** - A performance appraisal to be carried out annually and promotions/ increments/ rewards are to be decided by Managing Director based on the appraisal and recommendation of the concerned Head of Departments, where applicable.
5. **Severance payments** - In accordance with terms of employment, and applicable statutory requirements, if any.
 - A. Any remuneration payable to the Executives of the Company shall abide by the following norms :-
 - i. The base salary shall be competitive and based on the individual Executive's key responsibilities and performance;
 - ii. Base salaries would be based on a function-related salary system and be in line with the market developments shown by the benchmark research and additional market studies. The annual review date for the base salary would be April 1 or any other date as may be determined by the Committee from time to time, subject to the Company's Policy;
 - iii. The Executives will be entitled to customary non-monetary benefits such as Company cars, phone and such other fixed entitled benefits;
 - iv. Pension contributions shall be made in accordance with Applicable Laws and employment agreements;
 - v. The Executives resident outside India or resident in India but having a material connection to or having been resident in a country other than India, may be offered pension benefits that are competitive in the country where the Executives are or have been resident or to which the Executives have a material connection, preferably defined-contribution plans;

- vi. A Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable Law;
- vii. If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
- viii. A Director who is in receipt of any commission from the Company and who is a managing or Whole-time director of the Company shall not be disqualified from receiving any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.
 - B. Any fee/remuneration payable to the Non-Executive Directors of the Company shall abide by the following norms –
 - i. If any such Director draws or receives, directly or indirectly, by way of fee/ remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
 - ii. Such Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable Law;
 - iii. An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission, as may be permissible under the Applicable Law.

X. NOTICE OF TERMINATION AND SEVERANCE PAY POLICY

The notice of Termination and Severance pay shall be as per the terms of appointment as mentioned in the Employment Agreement or Letter of Appointment.

XI. DISCLOSURE AND DISSEMINATION

- i. The Policy shall be disclosed in the Board's report to shareholders of the Company.
- ii. The annual report of the Company would specify the details of remuneration paid to Directors.
- iii. The Company is required to publish its criteria of making payments to Non-Executive Directors in its Annual Report. Alternatively, this may also be put up on the Company's website and reference be drawn in the annual report.

Notes:

1. Based on the recommendation of the Nomination & Remuneration Committee at its meeting held on 30th May, 2015, the Policy was approved and adopted by the Board of the Company at its meeting held on 30th May, 2015.
2. The Policy was amended in order to align the same with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Nomination & Remuneration Committee at its meeting held on 10th February, 2016 and recommended to the Board for their approval. The Board of the Company at its meeting held on 10th February, 2016 approved the amended policy.

DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.
A) As per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| SL No. | Particulars | | | |
|--------|--|----------------|---|---|
| i) | The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2016-17. | Sl. No. | Name of Director and Designation | Ratio of remuneration of each Director to the median remuneration of the employees of the Company [^] |
| | | a) | Mr. Sunil Kumar Agrawal, Managing Director | 62.94:1 |
| | | b) | Mr. Ajay Kumar Chakraborty, Independent Director* | 0.18:1 |
| | | c) | Dr. Kali Kumar Chaudhuri, Independent Director* | 0.22:1 |
| | | d) | Mrs. Smita Khaitan, Independent Director* | 0.21:1 |
| | | e) | Mr. Basudeo Agrawal, Whole-time Director# | 46.04:1 |
| | | f) | Mr. Vineet Agrawal, Non-Executive Director@ | 12.93:1 |
| | | g) | Mr. Anirudha Agrawal, Non-Executive Director* | 0.10:1 |
| | | h) | Mr. Mrinal Kanti Pal, Non-Executive Director* | 0.10:1 |
| ii) | The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17. | Sl. No. | Name of Director/ KMP and Designation | % increase in Remuneration in the financial year 2016-17 |
| | | a) | Mr. Sunil Kumar Agrawal, Managing Director | 77.78% |
| | | b) | Mr. Ajay Kumar Chakraborty, Independent Director* | - |
| | | c) | Dr. Kali Kumar Chaudhuri, Independent Director* | - |
| | | d) | Mrs. Smita Khaitan, Independent Director* | - |
| | | e) | Mr. Basudeo Agrawal, Whole-time Director# | - |
| | | f) | Mr. Vineet Agrawal, Non-Executive Director@ | 28.57%** |
| | | g) | Mr. Anirudha Agrawal, Non-Executive Director* | - |
| | | h) | Mr. Mrinal Kanti Pal, Non-Executive Director* | - |
| | | i) | Mr. Vivek Jain, Company Secretary | 22.84% |
| | | j) | Mr. Deepak Chamaria, Chief Financial Officer | 0% |

Note(s):

* Independent Directors and Non-Executive Directors of the Company are entitled only for sitting fee as per the statutory provisions and within the limits. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and are governed by the Remuneration Policy of the Company, as provided in the Annual Report. In view of this, the calculation of percentage increase in remuneration of Independent Directors and Non-Executive Directors would not be meaningful and hence not provided.

Appointed as Whole-time Director w.e.f 21st July, 2016 and his remuneration includes both sitting fees paid as Non-Executive Director and remuneration paid as Whole-time Director during the financial year 2016-17.

@ Change in designation from Whole-time Director to Non-Executive Director w.e.f 21st July, 2016 and his remuneration includes both remuneration paid as Whole-time Director and sitting fees paid as Non-Executive Director during the financial year 2016-17.

[^] for calculation of median remuneration of employees, remuneration paid to Key Managerial Personnel are included.

** Remuneration paid in part for the financial year 2016-17 has been annualized for the purpose of calculation of percentage increase.

| SL No. | Particulars | |
|---|---|--|
| iii) | The percentage increase in the median remuneration of employees of the Company during the financial year 2016-17 | 9.19% |
| iv) | The number of permanent employees on the rolls of Company as on 31 st March, 2017 | 221 |
| v) | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | The median percentage increase made in the salaries of the employees of the Company, other than managerial personnel, was 8.15%** during the financial year 2016-17 as compared to an average increase of 53.18%*** in the managerial remuneration. The median percentage increase in the salaries of the employees of the Company, other than managerial personnel, during the year reflects the Company's reward philosophy. Whereas, the Managerial remuneration was increased in line with comparable market rate. |
| Note(s): | | |
| ** For average percentile increase made in the salaries of employees other than the Managerial Personnel, the median percentage increase has been considered. | | |
| ***The increase in remuneration is pertaining to the Managing Director and Whole-time Director, the Managerial Personnels. | | |
| vi) | Yes, it is hereby affirmed that the remuneration paid during the year ended 31 st March, 2017 is as per the Remuneration Policy of the Company | |

B). Statement as per Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| SL No. | Particulars | | | | | | | | | |
|--------|---|------------------------|--------------------|----------------------|--|-----------------|-------------|------------------------------------|--------------------------------------|---|
| i) | The details of the top ten employees based on remuneration drawn during the FY 2016-17: | | | | | | | | | |
| SN. | Name of the Employee | Designation | Remuneration Drawn | Nature of Employment | Qualification and Experience (years) | Date of Joining | Age (years) | Last Employment | Percentage of Shares held in Company | Related to Director or manager of Company, if any |
| 1) | Mr. Sunil Kumar Agrawal | Managing Director | 8,000,000/- | Permanent | Commerce Graduate and 23 years | 23.11.2014 | 56 | Manaksia Limited | 8.1502% | Mr. Anirudha Agrawal |
| 2) | Mr. Basudeo Agrawal* | Whole-time Director | 5,848,387/- | Permanent | Commerce Graduate and 44 years | 21.07.2016 | 68 | Manaksia Limited | 15.7912% | Mr. Vineet Agrawal |
| 3) | Mr. Vineet Agrawal# | Non-Executive Director | 16,40,322/- | Permanent | Commerce Graduate and 19 years | 17.11.2014 | 41 | Manaksia Limited | 12.8943% | Mr. Basudeo Agrawal |
| 4) | Mr. Deepak Chamaria | CFO | 1,456,870/- | Permanent | Chartered Accountants and 15 Years | 23.11.2014 | 37 | Manaksia Limited | 0.0000% | - |
| 5) | Mr. Mohitlal Mukhopadhyay | Manager-Marketing | 8,81,900/- | Permanent | Commerce Graduate, ICWAI and 25 Years | 23.11.2014 | 53 | Manaksia Limited | 0.0000% | - |
| 6) | Mr. Satheesh K. | Sales Manager | 6,89,703/- | Permanent | Commerce Graduate, MBA and 41 years | 23.11.2014 | 41 | Manaksia Limited | - | - |
| 7) | Mr. Venkat Lal Srivastava | Sr. Manager (PROD.) | 6,30,780/- | Permanent | Diploma in Mechanical Eng. and 23 years | 23.11.2014 | 46 | Manaksia Limited | - | - |
| 8) | Mr. Sanjib Sen | Mechanical Head | 6,24,190/- | Permanent | Bachelor of Engg(B.E)- Mech and 28 years | 13.07.2015 | 51 | EBM Systems (Alubin Group, ISRAEL) | - | - |

| SL No. | Particulars | | | | | | | | | |
|---|--|-----------------------------|--------------------|----------------------|--------------------------------------|-----------------|-------------|---------------------------------|--------------------------------------|---|
| i) | The details of the top ten employees based on remuneration drawn during the FY 2016-17: (Contd.) | | | | | | | | | |
| SN. | Name of the Employee | Designation | Remuneration Drawn | Nature of Employment | Qualification and Experience (years) | Date of Joining | Age (years) | Last Employment | Percentage of Shares held in Company | Related to Director or manager of Company, if any |
| 9) | Mr. Joy Roy | GM-HR | 6,22,790/- | Permanent | BSC & MBA (HRM) and 20 years | 20.01.2015 | 53 | Haldia Precision Eng. Pvt. Ltd. | 0.0000% | - |
| 10) | Mr. Bappaditya Sengupta | SR. MGR . (INTL. Marketing) | 6,08,460/- | Permanent | BE/MBA and 10 years | 23.11.2014 | 36 | Manaksia Limited | 0.0000% | |
| Note: | | | | | | | | | | |
| * Appointed as Whole-time Director w.e.f 21 st July , 2016 and his remuneration includes only remuneration paid as Whole-time Director during the financial year 2016-17. | | | | | | | | | | |
| # Change in designation from Whole-time Director to Non-Executive Director w.e.f 21 st July, 2016 and his remuneration includes only remuneration paid as Whole-time Director during the financial year 2016-17. | | | | | | | | | | |
| ii) | There were no employees employed throughout the Financial Year (FY) 2016-17 who were in receipt of remuneration during FY 2016-17, in which aggregate, was not less than ₹ 1.02 crore. | | | | | | | | | |
| iii) | There were no employees employed for a part of the FY 2016-17 who were in receipt of remuneration for such part during FY 2016-17 at a rate which aggregate, was not less than ₹ 8.50 lacs per month. | | | | | | | | | |
| iv) | There were no employees employed throughout the FY 2016-17 or for a part thereof, who were in receipt of remuneration during the FY 2016-17 or for part thereof which, in aggregate, or as the case may be, at a rate which, in aggregate, was in excess of that drawn by the Managing Director and holds by himself/herself or along with his/her spouse and dependent children, not less than 2 (Two) percent of the equity shares of the Company. | | | | | | | | | |
| Note: For purpose of above point no. (B)(ii)(iii) & (iv), the term employees exclude Managing Director & Whole- time Director. | | | | | | | | | | |

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 18th May, 2017

Sunil Kumar Agrawal
Managing Director
DIN: 00091784

Mrinal Kanti Pal
Director
DIN: 00867865

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview

According to reports from World Economic Outlook Survey, global economic activity is on an uptrend and the growth rate is expected to rise to 3.6 percent in 2018 from 3.1 percent in 2016.

The government's thrust on Make in India campaign is helping India as a viable production hub for global manufacturing giants. India's long-term growth potential continues to be robust with a focus on improving manufacturing and farm output, Infrastructure creation, increasing urbanization, expanding services sector and stronger regulatory framework for banking and financial services. The Goods and Services Tax (GST) - Constitution Amendment Bill, passed by the government and to be implemented from July 1st, 2017 is also expected to have a significant positive impact on the taxation structure in the country.

As per a recent UN Survey report, India's economic growth next year is expected to be in the region of 7.7% - 8% riding on sound monetary policies and a boost from key domestic reforms and India is expected to retain its lead as the fastest growing major economy in world.

Among developed economies, US demonstrated resilience after a weak first half of 2016 and the economy is expected to continue at a reasonable pace. In a number of other advanced economies notably in the Eurozone, output remained below potential. In the second half of 2016, growth figures were somewhat stronger than previously forecast in economies such as United Kingdom / Spain / Germany on increased domestic demand, after the Brexit vote.

The situation for developing economies and emerging markets however, is not uniform. In some South American countries such as Argentina and Brazil as well in Turkey, the activity was weaker than expected. The growth rate in China was stronger than expected, due to anticipated policy stimulus in Infrastructure spending and activity in Russia was also slightly better.

India's growth forecast was somewhat reduced, primarily due to a temporary setback in consumption, due to payment disruptions and cash shortages associated with the recent demonetization of high value currency notes.

Industry Structure and Developments

The world aluminium demand, excluding China grew by 3% year-on-year in 2016 while Chinese demand grew by 7% last year, being driven by stronger primary demand supported by stimulus measures. Global aluminium production grew by 3% year-on-year with Chinese production continuing to account for more than 50% of global supply. Aluminium LME prices moved up 20% compared to 2016 lows and premiums gained further as global aluminium markets fell into deficit.

The global demand for aluminium is expected to increase by 4 % next year. In India, initiatives to develop the infrastructure of the country continue to drive demand and this trend is expected to continue. The demand is also expected to get a boost following focus on smart cities and improving business prospects of the construction industry. Other segments that are expected to see enhanced aluminium demand are automobile and food packaging industry. The recent Government plans to expand and modernise the national power grid over the next couple of years is expected to drive demand in the wire and cable segment. It is also expected that Indian aluminium demand will grow by 7.7% next year. To protect manufacturers of primary aluminium products, India has recently introduced measures to counter predatory imports.

On the supply side, market views are mixed with respect to China implementing measures to control production. Global primary aluminium production, according to CRU, is forecasted to increase by 6.2 % in 2017 to 62.5 Million tonnes. Indian production is expected to grow by 18% in 2017 and contribute 72% of the production increase globally (apart China).

Business

Your Company manufactures two major products:

- Aluminium rolled products in coil and sheet form.
- Aluminium Alloy Ingots

Your Company has vertically integrated certain parts of our operations across its product range. This has resulted in a reduction in manufacturing costs, greater control on quality and an expansion in the range of products.

Overview of Operations

Results

During the year under review, the revenue of your Company stood at ₹ 23839.20 lacs, as compared to ₹ 26551.54 lacs during the year ended on 31st March, 2016. However, due to reasons stated above, the loss of the Company during the year reduced to ₹ 461.72 lacs as compared to a loss of ₹ 503.71 lacs during the year ended on 31st March, 2016.

Risks and Concerns

Your Company is actively though cautiously considering, growth opportunities and new markets for its products. The Company is exposed to a number of inherent market risks from its normal business activities. These risks include changes in raw material prices, foreign currency exchange rate, interest rate which may adversely impact the Company's financial assets, liabilities and/or future cash flows. The Company is trying to mitigate these risks by carefully planning an optimum sales mix, product diversification, innovation and penetration of domestic and international markets and active treasury management,. Further cost saving measures across all segments of the Company, would help in improving the margins in an otherwise difficult market.

Opportunities and Threats

A considerably wide geographical presence and reach, both domestic and international, have helped the Company to attempt de-risking its business and meet the risks with suitable precaution. The Company is focused on enhancing value added products. Improvement in safety performance is of utmost priority, for which the Company has constantly been initiating measures to avert accidents. The Company has sales and technical servicing offices at Mumbai, Delhi, Bangalore, Hyderabad, Guwahati and Bhopal.

Projection for the Financial Year 2017-18

The company continues to follow the various steps initiated in the previous financial year, for improving the profitability in the future years. These steps include:

- Increasing its marketing base and exposure to markets in various countries like USA, UAE and Saudi Arabia. Appointing marketing agents in Ethiopia, USA, Peru, UAE and in the domestic market. This is helping in increasing off take and yield better margins.
- Undertaking major overhauling and revamping of Plant & Machineries to reduce cost of conversion.
- Initiating steps for cost reduction by curtailing certain costs like power & fuel, manpower, administration and scheduled repair & maintenance. Rationalizing contractual and also own employees to reduce manpower cost. Shifting from Coal Gasifier to Furnace Oil fuel to en cash upon the benefit of reducing fuel prices compared to coal. Renegotiating on the major cost elements for reducing administration cost.
- Initiating steps for improving quality of Finished Products, to help in increasing the top line and customer satisfaction, leading to improved margins.
- Focusing on value added products by marketing color coated Aluminium Sheets /Coils.
- Trying to develop new suppliers in USA, Australia, UK, Spain and other European countries for taking advantage of competitive rates and improved raw material quality.

Internal Control System

The Company has an efficient system of internal controls which helps it to maintain both internal controls and procedures to ensure all transactions are authorized, recorded and reported correctly and also ensures proper disclosure and protection of physical and intellectual property. A firm of Chartered Accountants has been appointed by your Company as Internal Auditors for independently evaluating the adequacy of the internal controls on a regular basis. For effectiveness and transparency, the management duly considers and takes appropriate action on the recommendations made by Statutory Auditors, Internal Auditors and by Management Committee / Audit Committee of the Board of Directors. The company is operating on SAP Platform in order to have proper internal control procedure with the necessary authorization and “maker and checker” concept. This helps in correct recording of transactions and timely elimination and rectification of errors. The Company has appointed consultants/ professionals to conduct Cost Audit and Secretarial Audit and observations made, if any, are reviewed by the Management periodically and remedial actions initiated. The Company is also initiating necessary changes in its ERP system as necessary for migration to Goods & Services Tax regime to be implemented from 1st July, 2017.

Human Resources

Employee relations continued to be cordial throughout the year and recruitments were made commensurate with the needs of business. The Company employs about 230 people in all its facilities.

Finance Cost

Finance Cost, during the year under review stood at ₹ 709.83 lacs, as compared to ₹ 686.46 lacs during the period ended on 31st March, 2016. This increase is on account of extended credit period granted to customers per the market scenario.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the company's objectives, outlook and expectation, may constitute “Forward Looking Statements” within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations, projections etc. Several factors make a significant difference to the company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and other such factors over which the company does not have any direct control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAKSIA ALUMINIUM COMPANY LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including, the state of affairs(financial position) of the Company as at 31st March, 2017, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No. 26 & 34 to the financial statements).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. (Refer Note 28 to the financial statements.)

For, **S. K. AGRAWAL & CO.**
Chartered Accountants
Firms Registration No- 306033E

(Hemant Kumar Lakhotia)
Partner
Membership No: 068851

Place: Kolkata
Dated: 18th May, 2017

Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **MANAKSIA ALUMINIUM COMPANY LIMITED** (the Company') on the financial statements for the year ended on 31st March 2017. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to Loans and Advances made, guarantee given and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no material dues of income tax, service tax and sales tax, which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of duty of excise and customs have not been deposited by the Company on account of disputes:

| Name of the Statute | Nature of Dues | Amount under dispute not yet deposited* (₹ in Lacs) | Financial year to which the amount relates | Forum where the dispute is pending |
|-----------------------------|----------------|--|--|------------------------------------|
| The Central Excise Act 1944 | Central Excise | 4.70 | 2010-11 | Commissioner (Appeals) |
| | | 2.92 | 2005-06 to 2014-15 | CESTAT(Chennai) |
| | | 1.70 | 2010-11 to 2014-15 | Jurisdictional AO |
| | | 0.43 | 2014-15 | Commissioner (Appeals) |
| | | 36.57 | 2012-13 | Add. Comm. Central Excise |
| The Customs Act 1962 | Custom Duty | 0.86 | 2005-06 | CESTAT(Kolkata) |
| | | 9.41 | 2003-04 & 2006-07 | Jurisdictional AO |

*excluding interest and penalties

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution, banks, government and debenture holders, if any.

- ix. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the company for the purpose for which they were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, **S. K. AGRAWAL & CO.**
Chartered Accountants
Firms Registration No- 306033E

(Hemant Kumar Lakhotia)
Partner
Membership No: 068851

Place: Kolkata
Dated: 18th May, 2017

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **S. K. AGRAWAL & CO.**
Chartered Accountants
Firms Registration No- 306033E

(Hemant Kumar Lakhotia)
Partner
Membership No: 068851

Place: Kolkata
Dated: 18th May, 2017

BALANCE SHEET

(₹ in Lacs)

| Particulars | Notes | As at March 31, 2017 | As at March 31, 2016 |
|--|-------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1. Shareholders' Funds | | | |
| (a) Share capital | 2 | 655.34 | 655.34 |
| (b) Reserves and surplus | 3 | 9,115.68 | 9,577.40 |
| | | 9,771.02 | 10,232.74 |
| 2. Non-current liabilities | | | |
| (a) Long term borrowings | 4 | - | 600.00 |
| (b) Deferred tax liabilities (net) | 5 | 1,421.49 | 1,448.19 |
| (c) Long term provisions | 6 | 558.38 | 451.01 |
| | | 1,979.87 | 2,499.20 |
| 3. Current liabilities | | | |
| (a) Short term borrowings | 7 | 8,142.18 | 8,133.00 |
| (b) Trade payables | 8 | 943.49 | 738.62 |
| (c) Other current liabilities | 9 | 1,092.04 | 1,154.17 |
| (d) Short term provisions | 10 | 157.19 | 126.66 |
| | | 10,334.90 | 10,152.45 |
| TOTAL | | 22,085.79 | 22,884.39 |
| II. ASSETS | | | |
| 1. Non current assets | | | |
| (a) Fixed assets | 11 | | |
| Tangible assets | | 8,902.65 | 9,287.71 |
| Capital work-in-progress | | 629.12 | 591.87 |
| (b) Non-current investments | 12 | 0.10 | 0.10 |
| (c) Long term loans and advances | 13 | 29.86 | 29.90 |
| (d) Other Non Current Assets | 14 | 0.77 | 0.89 |
| | | 9,562.50 | 9,910.47 |
| 2. Current assets | | | |
| (a) Inventories | 15 | 7,020.14 | 6,084.05 |
| (b) Trade receivables | 16 | 1,837.63 | 3,854.71 |
| (c) Cash and Cash equivalents | 17 | 27.27 | 5.21 |
| (d) Short term loans and advances | 18 | 3,638.25 | 3,029.95 |
| | | 12,523.29 | 12,973.92 |
| TOTAL | | 22,085.79 | 22,884.39 |
| Summary of Significant Accounting Policies | 1 | | |
| Notes to the Financial Statements | 2-35 | | |

As per our Report attached of even date

For S K Agrawal & Co.
Chartered Accountants
Firm Regn. No. 306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851

Kolkata
18th day of May, 2017

For and on Behalf of the Board of Directors

Sunil Kumar Agrawal
(Managing Director)
DIN No.: 00091784

Mrinal Kanti Pal
(Director)
DIN No.: 00867865

Deepak Chamaria
(CFO)

Vivek Jain
(Company Secretary)

STATEMENT OF PROFIT AND LOSS

(₹ in Lacs)

| Particulars | Notes | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|--|-------|-----------------------------------|-----------------------------------|
| I. Income | | | |
| Revenue from operations | 19 | 23,839.20 | 26,551.54 |
| Other income | 20 | 256.57 | 17.57 |
| Total revenue | | 24,095.77 | 26,569.11 |
| II. Expenses | | | |
| Cost of materials consumed (including trading goods) | 21 | 20,307.72 | 21,911.38 |
| Changes in Inventories of finished goods, Work-in-progress and stock-in-trade | 22 | (1,207.34) | 152.42 |
| Employee benefits expense | 23 | 716.62 | 597.12 |
| Finance costs | 24 | 709.83 | 686.46 |
| Depreciation and amortization expense | 11 | 521.34 | 533.73 |
| Other expenses | 25 | 3,536.02 | 3,327.67 |
| Total Expenses | | 24,584.19 | 27,208.78 |
| III. Profit/(Loss) before tax | | (488.42) | (639.67) |
| IV. Tax expenses | | | |
| Deferred tax | | (26.70) | (135.96) |
| Total tax expenses | | (26.70) | (135.96) |
| V. Profit/(Loss) for the Period | | (461.72) | (503.71) |
| VI. Basic and diluted Earnings per equity share of face value of ₹ 1/- each | | (0.70) | (0.77) |
| Summary of Significant Accounting Policies | 1 | | |
| Notes to the Financial Statements | 2-35 | | |

As per our Report attached of even date

For S K Agrawal & Co.
 Chartered Accountants
 Firm Regn. No. 306033E

Hemant Kumar Lakhotia
 (Partner)
 Membership No. 068851

 Kolkata
 18th day of May, 2017

For and on Behalf of the Board of Directors

Sunil Kumar Agrawal
 (Managing Director)
 DIN No.: 00091784

Mrinal Kanti Pal
 (Director)
 DIN No.: 00867865

Deepak Chamarla
 (CFO)

Vivek Jain
 (Company Secretary)

CASH FLOW STATEMENT

(₹ in Lacs)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before Tax : | (488.42) | (639.67) |
| Adjustment for: | | |
| Depreciation/ Amortisation | 521.34 | 533.73 |
| Loss on sale of fixed assets | (0.55) | 1.79 |
| Finance Cost | 709.83 | 686.46 |
| Interest Income | (0.11) | (0.37) |
| Provision made during the year | 137.90 | - |
| Operating Profit before Working Capital Changes | 879.99 | 581.94 |
| Adjustment for: | | |
| (Increase)/Decrease in Trade Receivables | 2,017.08 | (653.42) |
| (Increase)/Decrease in Other Receivables | (606.71) | 195.83 |
| (Increase)/Decrease in Inventories | (936.09) | 1,247.25 |
| Increase/(Decrease) in Trade Payables | 204.87 | (439.58) |
| Increase/(Decrease) in Other Payables | (53.36) | (131.90) |
| Cash Generated from Operations | 1,505.78 | 800.12 |
| Direct Taxes Paid | (1.43) | (0.99) |
| Net Cash Flow from Operating Activities | 1,504.35 | 799.13 |
| B: CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets and change in Capital work in progress (Including Capital Work in Progress and capital advances) | (178.98) | (54.74) |
| Sale of Fixed Assets | 6.00 | 33.79 |
| Interest Received | 0.11 | 0.37 |
| Net Cash Flow from/(Used in) Investing Activities | (172.87) | (20.58) |
| C: CASH FLOW FROM FINANCING ACTIVITIES: | | |
| (Repayment of)/Proceeds from Long Term Borrowings | (600.00) | (800.00) |
| (Repayment of)/ Proceeds from Short Term Borrowings (Net) | 9.18 | 209.70 |
| Interest etc. Paid | (718.60) | (677.72) |
| Net Cash Flow From/(Used in) Financing Activities | (1,309.42) | (1,268.02) |
| D: Net Increase/(Decrease) in Cash and Cash Equivalents | 22.06 | (489.47) |
| Opening Cash and Cash Equivalents | 5.21 | 494.68 |
| Closing Cash and Cash Equivalents | 27.27 | 5.21 |

As per our Report attached of even date

For S K Agrawal & Co.
 Chartered Accountants
 Firm Regn. No. 306033E

Hemant Kumar Lakhotia
 (Partner)
 Membership No. 068851

 Kolkata
 18th day of May, 2017

For and on Behalf of the Board of Directors

Sunil Kumar Agrawal
 (Managing Director)
 DIN No.: 00091784

Mrinal Kanti Pal
 (Director)
 DIN No.: 00867865

Deepak Chamaria
 (CFO)

Vivek Jain
 (Company Secretary)

Note 1: SIGNIFICANT ACCOUNTING POLICIES

(Annexed to and forming part of the financial statements for the year ended 31st March, 2017)

I) Basis of preparation of Financial Statement

The financial statements have been prepared under the Historical cost convention in accordance with the Generally Accepted Accounting Principles and the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of Companies (Accounts) Rules, 2014 and other provisions of the Act, to the extent applicable.

II) Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognised when all significant risks and rewards of their ownership are transferred to the customer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. Sales are net of trade discounts and other rebates. Revenue from services are recognized on rendering of services to customers. Dividend income is recognised when the right to receive payment is established. All other income is recognised on accrual basis.

III) Property, Plant & Equipment

a) Property, Plant & Equipment –

Property, Plant & Equipment are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection/ commissioning etc., upto the date, the asset is ready for its intended use.

b) Depreciation –

- i. Depreciation on Property, Plant & Equipment is provided on the straight line method over the estimated useful lives of assets and is in line with requirements of Part C of Schedule II of the Companies Act, 2013.
- ii. Depreciation includes amortisation of leasehold land over the period of lease.
- iii. The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.
- iv. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- v. Software costs are amortized using the Straight Line Method over estimated useful life of 3 years.

IV) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

V) Foreign currency transaction

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

d) Forward Contract

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

VI) Investments

Long term Investments are stated at Cost less provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment. Investments in foreign companies are considered at the exchange rates prevailing on the date of their acquisition. Current investments are carried at lower of cost or fair value of each investment. Short term Investments in liquid fund scheme of mutual funds have been stated at their NAV on year end date or purchase price whichever is less.

VII) Inventories

Inventories are valued as follows:

- a) The Raw materials, Finished goods, Stock in trade and Work in progress Packing materials and stores & spares are valued at cost or net realizable value whichever is lower. The cost of Closing Stock is calculated on the basis of Weighted Average method.
- b) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

VIII) Research & Development

Research and development expenditure of revenue nature are charged to Statement of Profit and Loss Account, while capital expenditure are added to the cost of property, plant and equipment in the year in which these are incurred.

IX) Employee Benefits

- i) Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.
- ii) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

X) Earnings Per Share

Basic earnings per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

XI) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods as on the Balance Sheet date. Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

XII) Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains/losses on settlement and provision for losses for cash flow hedges and restatement on Balance Sheet date are recognized in the Statement of Profit and Loss Account, except in case where they relate to borrowing costs that are attributable to the acquisition or construction of property, plant and equipment in which case, they are adjusted to the carrying cost of such assets.

XIII) Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

XIV) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

XV) Segment Reporting

As the Company's business activity falls within a single primary business segment, viz. "Metals", the disclosure requirements of Accounting Standard-17 "Segment Reporting" is not applicable. The analysis of geographical segments is based on the areas in which the customers of the company are located.

XVI) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | As at March 31, 2017 | | As at March 31, 2016 | |
|---|---|------------------|---|------------------|
| 2. Share capital | | | | |
| a) Authorised: | | | | |
| 7,50,00,000 (7,50,00,000) Equity Shares of ₹ 1/- each | 750.00 | | 750.00 | |
| | 750.00 | | 750.00 | |
| b) Issued, Subscribed and fully paid-up Shares: | | | | |
| 6,55,34,050 (6,55,34,050) Equity Shares of ₹ 1/- each fully paid up | 655.34 | | 655.34 | |
| | 655.34 | | 655.34 | |
| c) Details of shareholders holding more than 5% shares in the Company | | | | |
| Name of Shareholders | As at March 31, 2017 | | As at March 31, 2016 | |
| | No. of shares | % holding | No. of shares | % holding |
| Basudeo Agrawal | 10,348,615 | 15.79 | 10,348,615 | 15.79 |
| Vineet Agrawal | 8,450,175 | 12.89 | 8,954,735 | 13.66 |
| Mahabir Prasad Agrawal | 5,959,245 | 9.09 | 5,959,245 | 9.09 |
| Sunil Kumar Agrawal | 5,341,178 | 8.15 | 4,861,368 | 7.42 |
| Sushil Kumar Agrawal | 3,613,557 | 5.51 | 4,483,557 | 6.84 |
| d) Reconciliation of the shares outstanding is set out below: | | | | |
| Particulars | March 31, 2017 No. of shares | | March 31, 2016 No. of shares | |
| Equity Shares | | | | |
| At the beginning of the period | 65,534,050 | | 65,534,050 | |
| Outstanding at the end of the period | 65,534,050 | | 65,534,050 | |
| e) Terms/rights attached to each class of shares | | | | |
| Equity Shares: | | | | |
| The Company has only one class of equity shares having a par value of ₹1/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. | | | | |
| In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. | | | | |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | As at March 31, 2017 | | As at March 31, 2016 | |
|---|--|-------------------|-----------------------------|----------------|
| | Non Current | Current | Non Current | Current |
| 3. Reserves and surplus | | | | |
| A. Securities Premium | | | | |
| As per last Balance Sheet | 4,014.79 | | 4,014.79 | |
| Balance as at the end of the period | | 4,014.79 | | 4,014.79 |
| B. General reserve | | | | |
| As per last Balance Sheet | 6,437.34 | | 6,437.34 | |
| Balance as at the end of the period | | 6,437.34 | | 6,437.34 |
| C. Capital Reserve | | | | |
| As per last Balance Sheet | 5.00 | | 5.00 | |
| Balance as at the end of the period | | 5.00 | | 5.00 |
| D. Surplus/(Deficit) in the statement of profit and loss | | | | |
| As per last Balance Sheet | (879.73) | | (376.02) | |
| Add : Profit/(Loss) for the period | (461.72) | | (503.71) | |
| Balance as at the end of the period | | (1,341.45) | | (879.73) |
| | | 9,115.68 | | 9,577.40 |
| | | | | |
| | As at March 31, 2017 | | As at March 31, 2016 | |
| 4. Long term borrowings | Non Current | Current | Non Current | Current |
| Secured | | | | |
| a) Term Loans: | | | | |
| From Banks | | | | |
| Rupee Loan | - | 800.00 | 600.00 | 800.00 |
| Total | - | 800.00 | 600.00 | 800.00 |
| Note: | | | | |
| 4.1 | The Current part of Long Term Borrowings, as above, have been shown under Other Current Liabilities (Note No.9), as Current Maturities of long term debt. | | | |
| 4.2 | Rupee Term Loan: | | | |
| | The above loan is secured by First Charge on all Fixed Asset (Movable and Immovable) and is further secured by second charge on current assets of the Company. The loan is repayable in 11 quarterly installments of ₹ 200 Lacs each. The Rate of Interest on the Rupee Term Loan is 10.80% p.a. | | | |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---|-----------------------------|-----------------------------|
| 5. Deferred tax liabilities (net) | | |
| a) Deferred Tax Liability | | |
| Timing difference in depreciable assets | 1,603.01 | 1,594.96 |
| b) Deferred Tax Assets | | |
| Expenses allowable against taxable income in future years | 181.52 | 146.77 |
| Net Deferred tax Liability (a-b) | 1,421.49 | 1,448.19 |
| 6. Long term provisions | | |
| Provision for Gratuity(Refer Note No. 32) | 53.68 | 47.74 |
| Provision for Others | 504.70 | 403.27 |
| Total | 558.38 | 451.01 |
| 7. Short term borrowings | | |
| Secured | | |
| a) Loans repayable on Demand | | |
| From Banks | | |
| Rupee Loan | 2,102.50 | 3,421.41 |
| b) Foreign Currency Loan | 660.31 | - |
| c) Buyers Credit | 5,379.37 | 4,711.59 |
| Total | 8,142.18 | 8,133.00 |
| Note: | | |
| 7.1 The Company's Working Capital facilities are secured by First Charge on the current assets and second charge on Immovable Fixed Assets ranking pari passu with the respective Working Capital Bankers. | | |
| 8. Trade payables | As at March 31, 2017 | As at March 31, 2016 |
| Micro, Small and Medium Enterprises* | - | - |
| Others | 943.49 | 738.62 |
| Total | 943.49 | 738.62 |
| *Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. | | |
| There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years. | | |
| 9. Other current liabilities | As at March 31, 2017 | As at March 31, 2016 |
| Current Maturities of Long Term Debt | | |
| Term Loans | 800.00 | 800.00 |
| Interest accrued but not due on borrowings | 34.87 | 29.30 |
| Interest accrued and due on borrowings | - | 14.34 |
| Other Payables * | 257.17 | 310.53 |
| Total | 1,092.04 | 1,154.17 |
| * Other Payables include Statutory Dues, Advances from Customers & Overdrawn Balances from banks. | | |
| 10. Short term provisions | As at March 31, 2017 | As at March 31, 2016 |
| Provision for Gratuity (Refer Note No. 32) | 13.86 | 8.15 |
| Others * | 143.33 | 118.51 |
| Total | 157.19 | 126.66 |
| * Indicates Liabilities for excise duty on closing stock of Finished Goods. | | |

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

11. FIXED ASSETS

(₹ in Lacs)

| Particulars | Gross Block | | Depreciation / Amortisation | | | | Net Block | | | |
|---------------------------------|----------------------|----------|-----------------------------|-----------------------|----------------------|-------------------------|--------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2016 | Addition | Deletion/ Adjustment | As at 31st March 2017 | As at 1st April 2016 | Deductions/ Adjustments | For the Year | Up to 31st March 2017 | As at 31st March 2017 | As at 31st March 2016 |
| Tangible Assets : | | | | | | | | | | |
| a) Land | 13.70 | - | - | 13.70 | - | - | - | - | 13.70 | 13.70 |
| b) Leasehold Land | 91.33 | - | - | 91.33 | 12.18 | - | 1.01 | 13.19 | 78.14 | 79.15 |
| c) Building | 2,786.75 | 81.47 | - | 2,868.22 | 860.98 | - | 86.26 | 947.24 | 1,920.98 | 1,925.77 |
| d) Plant & Equipment | 12,701.33 | 59.54 | 6.00 | 12,754.87 | 5,473.92 | (0.55) | 422.67 | 5,896.04 | 6,858.83 | 7,227.41 |
| e) Computers | 27.91 | 0.54 | - | 28.45 | 25.07 | - | 0.89 | 25.96 | 2.49 | 2.84 |
| f) Office Equipment | 25.42 | 0.18 | - | 25.60 | 18.53 | - | 1.53 | 20.06 | 5.54 | 6.89 |
| g) Furniture & Fixtures | 69.54 | - | - | 69.54 | 59.19 | - | 4.56 | 63.75 | 5.79 | 10.35 |
| h) Vehicles | 84.75 | - | - | 84.75 | 63.15 | - | 4.42 | 67.57 | 17.18 | 21.60 |
| Total Tangible Assets | 15,800.73 | 141.73 | 6.00 | 15,936.46 | 6,513.02 | (0.55) | 521.34 | 7,033.81 | 8,902.65 | 9,287.71 |
| Capital Work in Progress | 591.87 | 48.54 | 11.29 | 629.12 | - | - | - | - | 629.12 | 591.87 |

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lacs)

11. FIXED ASSETS

| Particulars | Gross Block | | | Depreciation / Amortisation | | | Net Block | | |
|---------------------------------|----------------------|--------------|----------------------|-----------------------------|-------------------------|---------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2015 | Addition | Deletion/ Adjustment | As at 1st April 2015 | Deductions/ Adjustments | For the Year | Up to 31st March 2016 | As at 31st March 2016 | As at 31st March 2015 |
| Tangible Assets : | | | | | | | | | |
| a) Land | 13.70 | - | - | - | - | - | - | 13.70 | 13.70 |
| b) Leasehold Land | 91.33 | - | - | 11.17 | - | 1.01 | 12.18 | 79.15 | 80.16 |
| c) Building | 2,786.75 | - | - | 774.72 | - | 86.26 | 860.98 | 1,925.77 | 2,012.03 |
| d) Plant & Equipment | 12,715.22 | 52.44 | 66.33 | 5,072.40 | (30.75) | 432.27 | 5,473.92 | 7,227.41 | 7,642.82 |
| e) Computers | 26.10 | 1.81 | - | 23.98 | - | 1.09 | 25.07 | 2.84 | 2.12 |
| f) Office Equipment | 22.72 | 2.70 | - | 17.12 | - | 1.41 | 18.53 | 6.89 | 5.60 |
| g) Furniture & Fixtures | 69.41 | 0.13 | - | 51.95 | - | 7.24 | 59.19 | 10.35 | 17.46 |
| h) Vehicles | 84.75 | - | - | 58.70 | - | 4.45 | 63.15 | 21.60 | 26.05 |
| Total Tangible Assets | 15,809.98 | 57.08 | 66.33 | 6,010.04 | (30.75) | 533.73 | 6,513.02 | 9,287.71 | 9,799.94 |
| Capital Work in Progress | 594.21 | 38.73 | 41.07 | - | - | - | - | 591.87 | 594.21 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| 12. Non - current investment | | |
| Investment in Government or Trust securities | | |
| Unquoted & Fully Paid Up | | |
| 6 Years National Savings Certificates | 0.10 | 0.10 |
| | 0.10 | 0.10 |
| Aggregate book value of unquoted investment | 0.10 | 0.10 |
| 13. Long term loans and advances | | |
| (Unsecured, considered good) | | |
| Security Deposit | 29.86 | 29.90 |
| Total | 29.86 | 29.90 |
| 14. Other Non Current Assets | | |
| Fixed Deposits | 0.77 | 0.89 |
| (Pledged with Govt. Authorities) | | |
| Total | 0.77 | 0.89 |
| 15. Inventories | | |
| At Lower of Cost or Net Realisable Value | | |
| Raw Materials | 1,100.53 | 1,399.69 |
| Work-in-Process | 3,722.01 | 2,650.14 |
| Finished Goods | 1,178.00 | 1,078.01 |
| Stores & Spares | 959.59 | 931.68 |
| At Estimated Realisable Value | | |
| Scraps | 60.01 | 24.53 |
| Total | 7,020.14 | 6,084.05 |
| 16. Trade receivables | | |
| Unsecured | | |
| Considered Doubtful provided for : | | |
| Outstanding over six months | 15.83 | 15.83 |
| Less : Provision for Doubtful Debts | 15.83 | 15.83 |
| | - | - |
| Considered Good : | | |
| Outstanding over six months | 251.30 | 439.07 |
| Other Debts | 1,586.33 | 3,415.64 |
| Total | 1,837.63 | 3,854.71 |
| 17. Cash and Cash equivalents | | |
| Balances with Banks | 18.40 | 0.60 |
| Cash in Hand | 8.87 | 4.61 |
| Total | 27.27 | 5.21 |
| 18. Short term loans and advances | | |
| (Unsecured, considered good) | | |
| Balances with Statutory Authorities | 538.94 | 576.65 |
| Advance Income Tax (Net of Provision) | 14.83 | 13.40 |
| Others* | 3,084.48 | 2,439.90 |
| Total | 3,638.25 | 3,029.95 |

* Includes primarily Prepaid Expenses, Advance to Creditors & Advance to Staff.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| 19. Total revenue | | |
| Sale of products | 24,131.67 | 26,896.66 |
| Other Operating Income | 252.88 | 195.86 |
| | 24,384.55 | 27,092.52 |
| Less : Excise Duty | 545.35 | 540.98 |
| Total | 23,839.20 | 26,551.54 |
| 19.1 Particulars of sale of products | | |
| Metal Products | 23,759.64 | 26,769.78 |
| Others | 372.03 | 126.88 |
| | 24,131.67 | 26,896.66 |
| 20. Other income | | |
| Interest Income | 0.11 | 0.37 |
| Net Gain on Exchange Fluctuation | 223.96 | - |
| Miscellaneous Income | 31.95 | 17.20 |
| Profit on sale of Fixed Assets | 0.55 | - |
| Total | 256.57 | 17.57 |
| 21. Cost of materials consumed | | |
| Opening Stock | 1,399.69 | 2,472.17 |
| Add : Purchases including procurement expenses | 20,008.56 | 20,838.90 |
| Less : Closing Stock | 1,100.53 | 1,399.69 |
| | 20,307.72 | 21,911.38 |
| Particulars of Materials Consumed | | |
| Metals | 20,300.22 | 21,867.69 |
| Others | 7.50 | 43.69 |
| | 20,307.72 | 21,911.38 |
| Particulars of Closing Stock of WIP | | |
| Metal Products | 3,263.34 | 2,191.47 |
| Others | 458.67 | 458.67 |
| | 3,722.01 | 2,650.14 |
| 22. Changes in Inventories of finished goods, Work-in-progress and stock-in-trade | | |
| Opening Stock | | |
| Finished Goods | 1,078.01 | 1,140.15 |
| Work in Progress | 2,650.14 | 2,649.51 |
| Scrap | 24.53 | 115.44 |
| | 3,752.68 | 3,905.10 |
| Closing Stock | | |
| Finished Goods | 1,178.00 | 1,078.01 |
| Work in Progress | 3,722.01 | 2,650.14 |
| Scrap | 60.01 | 24.53 |
| | 4,960.02 | 3,752.68 |
| | (1,207.34) | 152.42 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|---|--------------------------------------|--------------------------------------|
| 23. Employee benefits expense | | |
| Salaries, Wages and Bonus | 521.46 | 415.87 |
| Contribution to provident & other funds | 39.68 | 35.90 |
| Staff Welfare Expenses | 155.48 | 145.35 |
| Total | 716.62 | 597.12 |
| 24. Finance costs | | |
| Interest Expenses | | |
| On Fixed Loans | 119.51 | 206.81 |
| On Others | 429.80 | 384.44 |
| Other Borrowing Cost | 160.52 | 95.21 |
| Total | 709.83 | 686.46 |
| 25. Other expenses | | |
| Consumption of Stores and Consumables | | |
| Indigenous | 204.34 | 150.28 |
| Imported | 79.49 | 91.35 |
| Power & Fuel | 1,265.83 | 1,250.67 |
| Processing Charges | 241.72 | 228.68 |
| Clearing Charges | 14.90 | 13.49 |
| Carriage Inward | 34.70 | 39.82 |
| Repairs to: | | |
| Building | 31.15 | 14.49 |
| Machinery | 241.37 | 240.58 |
| Others | 10.19 | 9.35 |
| Other Manufacturing Expenses | 263.89 | 217.99 |
| Rent | 15.35 | 13.27 |
| Insurance | 15.95 | 22.26 |
| Rates & Taxes | 149.65 | 108.44 |
| Packing Expenses | 103.05 | 76.73 |
| Freight, Forwarding and Handling Expenses | 328.29 | 237.87 |
| Communication Expenses | 13.81 | 16.78 |
| Travelling & Conveyance | 80.05 | 91.06 |
| Auditor's Remuneration | | |
| Audit Fees | 6.00 | 6.00 |
| Tax Audit Fees | 0.50 | 0.50 |
| Certification Fees | 0.70 | 0.10 |
| Donations | - | - |
| Commission | 36.84 | 32.15 |
| Net Loss on Exchange Fluctuation | - | 134.20 |
| Other Miscellaneous Expenses | 398.25 | 331.61 |
| | 3,536.02 | 3,327.67 |

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

26) Contingent Liabilities & Commitments:

a) Contingent Liability

Claims against the company/disputed liabilities not acknowledged as Debts:

(₹ in Lacs)

| Sl. No | Particulars | 31 st March, 2017 | 31 st March, 2016 |
|--------|--|------------------------------|------------------------------|
| 1 | Cases Pending Against the company | | |
| | Excise | 46.34 | 45.93 |
| | Custom | 10.27 | 10.27 |
| 2 | Lease Rent | 18.68 | 18.68 |

27) Earnings per share (EPS)

(₹ in Lacs)

| Particulars | 31 st March, 2017 | 31 st March, 2016 |
|--|------------------------------|------------------------------|
| Profit as per Statement of Profit & Loss | (461.72) | (503.71) |
| Weighted Average number of Equity Shares | 6,55,34,050 | 6,55,34,050 |
| Nominal value per Equity Share (₹) | 1 | 1 |
| Basic and Diluted Earnings per share (EPS) | (0.70) | (0.77) |

28) Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes* (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in Lacs)

| Particulars | SBN's * | Other denomination Notes | Total |
|---|----------|--------------------------|--------------|
| Closing cash in hand as on November 8, 2016 | 9.50 | 1.56 | 11.06 |
| (+) Permitted receipts | - | 17.38 | 17.38 |
| (-) Permitted payments | - | 7.54 | 7.54 |
| (-) Amount deposited in Banks | 9.50 | - | 9.50 |
| Closing cash in hand as on December 30, 2016 | - | 11.40 | 11.40 |

29) Information pursuant to the provisions of Clause viii of the General Instructions for preparation of statement of profit and loss of the Schedule III to the Companies Act, 2013

a. CIF Value of Import:

(₹ in Lacs)

| Particulars | 2016- 2017 | 2015- 2016 |
|-----------------------------------|------------|------------|
| Capital goods | 5.76 | Nil |
| Raw materials and other purchases | 18,410.37 | 20,649.16 |
| Spares parts and chemicals | 97.93 | 54.28 |

b. Expenditure in foreign currencies:

(₹ in Lacs)

| Particulars | 2016-2017 | 2015-2016 |
|---|-----------|-----------|
| Interest on Loans From Banks & Financial Institutions | 98.37 | 61.98 |
| Others | 381.87 | 47.73 |

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

c. Value of Raw materials and spare parts consumed: (₹ in Lacs)

| Particulars | 2016-2017 | | 2015-2016 | |
|-----------------------------|------------------|---------------|------------------|---------------|
| | Amount | % | Amount | % |
| Raw Materials: | | | | |
| Indigenous | 1,245.32 | 6.13 | 749.23 | 3.42 |
| Imported | 19,062.40 | 93.87 | 21,162.15 | 96.58 |
| TOTAL | 20,307.72 | 100.00 | 21,911.38 | 100.00 |
| Stores & Spares: | | | | |
| Indigenous | 204.34 | 71.99 | 150.28 | 62.19 |
| Imported | 79.49 | 28.01 | 91.35 | 37.81 |
| TOTAL | 283.83 | 100.00 | 241.63 | 100.00 |

d. Earnings in foreign exchange: (₹ in Lacs)

| Particulars | 2016-2017 | 2015-2016 |
|--|-----------|-----------|
| Export of Goods & Services (F.O.B. Value Including Freight Realised) | 18,845.20 | 21,436.26 |

30) Related Party Disclosure:-

a) Name & Relationship of the Related Parties

| Particulars | Relationship |
|---|---|
| Manaksia Coated Metals & Industries Ltd Manaksia Limited | Entities where KMP and relatives have Significant influence |
| Mr Sunil Kumar Agrawal- Managing Director Mr Basudeo Agrawal - Whole Time Director (w.e.f. 21 st July 2016) Mr Vineet Agarwal - Whole Time Director (upto 20 th July 2016) Mr Deepak Chamaria - Chief Financial Officer Mr Vivek Jain - Company Secretary | Key Management Personnel |
| Mr Ajay Kumar Chakraborty Dr Kali Kumar Chaudhury Mr Vineet Agrawal (w.e.f 21 st July 2016) Mr Mrinal Kanti Pal Mr Basudeo Agrawal (upto 20 th July 2016) Mr Anirudha Agrawal Mrs Smita Khaitan | Directors |

b. Transactions with Related Parties (₹ in Lacs)

| Sl. No. | Nature of Transactions | 2016-17 | 2015-16 |
|---------|--|---------------|---------------|
| 1 | Purchase of Goods/Services | | |
| | Manaksia Coated Metals & Industries Ltd | 72.90 | 151.07 |
| | Manaksia Steels Ltd* | - | 4.78 |
| | Manaksia Limited | 142.61 | 103.57 |
| | Total | 215.51 | 259.42 |
| 2 | Sale of Goods/Services | | |
| | Manaksia Steels Ltd* | - | 14.36 |
| | Manaksia Coated Metals & Industries Ltd | 5.81 | - |
| | Total | 5.81 | 14.36 |
| 3 | Sale of Property, Plant and Equipment | | |
| | Manaksia Coated Metals & Industries Ltd | 6.12 | - |
| | Total | 6.12 | - |

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

b. Transactions with Related Parties (₹ in Lacs)

| Sl. No. | Nature of Transactions | 2016-17 | 2015-16 |
|---------|---|---------------|---------------|
| 4 | Interest Expense | | |
| | Manaksia Coated Metals & Industries Ltd | 4.03 | 11.52 |
| | Manaksia Steels Ltd* | - | 5.44 |
| | Total | 4.03 | 13.68 |
| 5 | Salary Paid to KMP | | |
| | Mr Sunil Kumar Agrawal | 80.00 | 45.00 |
| | Mr Vineet Agrawal | 16.40 | 42.00 |
| | Mr Basudeo Agrawal | 58.48 | - |
| | Mr Deepak Chamaria | 14.57 | 15.44 |
| | Mr Vivek Jain | 3.98 | 3.54 |
| | Total | 173.44 | 105.98 |
| 6 | Meeting Fees | | |
| | Mr Ajay Kumar Chakraborty | 0.23 | 0.11 |
| | Dr Kali Kumar Chaudhury | 0.28 | 0.13 |
| | Mr Mrinal Kanti Pal | 0.13 | 0.05 |
| | Mr Anirudha Agrawal | 0.13 | 0.05 |
| | Mr Basudeo Agrawal | 0.03 | 0.07 |
| | Mrs Smita Khaitan | 0.27 | 0.16 |
| | Mr Vineet Agrawal | 0.03 | - |
| | Total | 1.10 | 0.57 |

* Manaksia Steels Ltd. (Till 21.07.2015)

31) Segment Reporting

- Business Segment - As the Company's business activity falls within a single primary business segment, viz "Metal", the disclosure requirements of Accounting Standard-17 "Segment Reporting" is not applicable.
- Geographical Segment - The company primarily operates in India and therefore the analysis of geographical segments is demarcated into its Indian and overseas operations as under:

(₹ in Lacs)

| Geographical Segments | REVENUE FROM OPERATIONS | |
|-----------------------|-------------------------|------------------|
| | 2016-17 | 2015-16 |
| India | 4,690.21 | 4,513.81 |
| Overseas | 19,148.99 | 22,037.73 |
| Total | 23,839.20 | 26,551.54 |

The carrying amount of segment assets and additions to segment fixed assets by geographical area to which the assets are attributable (₹ in Lacs)

| Geographical Segments | Carrying Amount of Segment Assets | | Additions to Fixed Assets including CWIP | |
|-----------------------|-----------------------------------|------------------------------|--|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 | 31 st March, 2017 | 31 st March, 2016 |
| India | 21,148.76 | 19,335.07 | 178.96 | 54.74 |
| Overseas | 937.03 | 3,549.32 | Nil | Nil |
| Total | 22,085.79 | 22,884.39 | 178.96 | 54.74 |

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

32) Disclosure as per Accounting Standard 15 "Employee Benefits"

(₹ in Lacs)

| Particulars | For the Year ended 31 st March, 2017 | For the Year ended 31 st March, 2016 |
|--|---|---|
| Provision for Employee Benefits | 67.53 | 55.90 |
| Employee Benefits : | | |
| i) Defined contribution Plan | 39.68 | 35.90 |
| Contribution to defined contribution plan recognized are charged of during the year as follows : | | |
| Employers' contribution to Provident Fund and ESI | | |
| ii) Defined benefit plan | | |
| Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. | | |
| a) Reconciliation of opening and closing balances of defined obligation: | | |
| 1) Defined benefit obligation at the beginning of the period | 55.90 | 53.53 |
| 2) Current service cost | 8.11 | 7.45 |
| 3) Interest cost | 4.33 | 4.15 |
| 4) Acquisitions | - | - |
| 5) Actuarial (gain) / loss | 5.47 | (0.26) |
| 6) Benefit paid | (6.28) | (8.97) |
| 7) Defined benefit obligation at the end of the period | 67.53 | 55.90 |
| b) Reconciliation of fair value assets and obligations: | | |
| 1) Fair value of plan assets as at the end of the period | - | - |
| 2) Present value of obligations as at end of the period | (67.53) | (55.90) |
| 3) Amount recognized in balance sheet | (67.53) | (55.90) |
| c) Expenses recognized during the year (under the Note "Employee Benefits Expense") | | |
| 1) Current service cost | 8.11 | 7.45 |
| 2) Interest cost | 4.33 | 4.15 |
| 3) Actuarial (gain) / Loss | 5.47 | (0.26) |
| 4) Net amount | 17.91 | 11.34 |
| d) Actuarial assumptions | | |
| 1) Mortality table | IALM 06-08 ultimate | IALM 06-08 ultimate |
| 2) Discount rate (per annum) | 7.75 % | 7.75 % |
| 3) Rate of escalation in salary (per annum) | 5.00 % | 5.00 % |
| 4) Expected average remaining working lives of employees(years) | 17.95 | 19.29 |

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The above information has been certified by the actuaries.

Assets and Liability (Balance Sheet Position)

(₹ in Lacs)

| Particulars | As on | | | |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 31 st March 2017 | 31 st March 2016 | 31 st March 2015 | 31 st March 2014 |
| Present value of Obligation | (67.53) | (55.90) | (53.53) | (46.54) |
| Fair Value of Plan Assets | - | - | - | - |
| Unrecognized Past Service Cost | - | - | - | - |
| Effects of Asset Celling | - | - | - | - |
| Net Asset / (Liability) | (67.53) | (55.90) | (53.53) | (46.54) |

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

Experience adjustments on Present Value of Benefit Obligation and Plan Assets

(₹ in Lacs)

| Particulars | As on | | | |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 31 st March 2017 | 31 st March 2016 | 31 st March 2015 | 31 st March 2014 |
| (Gain) / Loss on Plan Liabilities | 3.27 | (0.26) | (1.82) | - |
| Gain / (Loss) on Plan Assets | - | - | - | - |

33) Foreign Currency Exposure

(Amount in Lacs)

| I. Assets | Foreign Currency | 31 st March 2017 | | | 31 st March 2016 | | |
|-------------------------------------|------------------|-----------------------------|----------------------------|-----------------|-----------------------------|----------------------------|-----------------|
| | | Exchange Rate | Amount in Foreign Currency | Amount in INR | Exchange Rate | Amount in Foreign Currency | Amount in INR |
| Receivables (Net of Advances) | USD | 64.84 | 53.22 | 3,450.71 | 66.26 | 75.89 | 5,028.47 |
| | EUR | 69.25 | 0.06 | 4.15 | 75.40 | - | - |
| Other Monetary assets | SGD | 46.43 | - | - | 49.15 | 0.03 | 1.47 |
| | CNY | 10.15 | 0.03 | 0.30 | - | - | - |
| | EURO | 69.25 | 0.01 | 0.69 | 75.40 | 0.02 | 1.51 |
| | AED | 17.66 | 0.51 | 9.01 | 18.04 | 0.70 | 12.63 |
| Total Receivable (A) | | | | 3,464.87 | | | 5,044.08 |
| Hedge by derivative contract (B) | USD | 64.84 | - | - | 66.26 | - | - |
| Unhedged Receivables (C=A-B) | | | | 3,464.87 | | | 5,044.08 |

(Amount in Lacs)

| II. Liabilities | Foreign Currency | 31 st March 2017 | | | 31 st March 2016 | | |
|------------------------------------|------------------|-----------------------------|----------------------------|-----------------|-----------------------------|----------------------------|-----------------|
| | | Exchange Rate | Amount in Foreign Currency | Amount in INR | Exchange Rate | Amount in Foreign Currency | Amount in INR |
| Payables (Net of Advances) | USD | 64.84 | 2.18 | 141.35 | 66.26 | 9.92 | 657.30 |
| Borrowings | USD | 64.84 | 92.92 | 6,024.80 | 66.26 | 74.73 | 4,951.61 |
| Total Payables (D) | | | | 6,166.15 | | | 5,608.91 |
| Hedges by Derivative Contracts (E) | USD | 64.84 | 19.11 | 1,239.07 | 66.26 | 24.11 | 1,597.53 |
| Unhedged Payables (F=D-E) | | | | 4,927.09 | | | 4,011.38 |

Note: The above Foreign Currency Payables are naturally hedged by Foreign Currency Receivables.

- 34) The Company has made a provision of ₹ 100.80 Lacs (Previous Year ₹ 73.64 Lacs) towards Entry Tax in relation to matter under litigation/dispute as shown below:

(₹ in Lacs)

| Particulars | 31 st March 2017 | 31 st March 2016 |
|---------------------------------|-----------------------------|-----------------------------|
| Opening Balance | 403.27 | 329.63 |
| Provisions made during the Year | 100.80 | 73.64 |
| Closing Balance | 504.07 | 403.27 |

- 35) Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to confirm to the current year presentation.

For and on Behalf of the Board of Directors

For S K Agrawal & Co.
Chartered Accountants
Firm Regn. No. 306033E

Hemant Kumar Lakhota
(Partner)
Membership No. 068851

Kolkata
18th day of May, 2017

Sunil Kumar Agrawal
(Managing Director)
DIN No.: 00091784

Mrinal Kanti Pal
(Director)
DIN No.: 00867865

Deepak Chamaria
(CFO)

Vivek Jain
(Company Secretary)

