

SHREE
NARMADA
ALUMINIUM
INDUSTRIES
LIMITED

59, Princess Street, Mumbai 400 002 India
Tel : +91-22-2207 2001 Fax : +91-22-2208 7495
E-mail: snarmada@vsnl.com

CIN NO : L91100GJSHRINDL004201

Dated: 10th October, 2016

To,
The Secretary,
The Stock Exchange, Mumbai,
Phirozejeejeebhoy Towers,
Dalal Street,
Mumbai - 400 023

Sub: Submission of Annual Report pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 .

Scrip Code: 524238

Dear Sir,

Reference to the subject mentioned above, we are forwarding here with Annual Report under Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 for the Financial Year 2015-16 with a request to kindly update your record..

Thanking you in anticipation.

With regards,

Kantilal B. Patel

Kantilal B. Patel
(Managing Director - DIN: 01441306)

SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED



Registered Office & Works: 30/1, Bharuch Patel Road, Bharuch, Gandhinagar, 392 001, Gujarat, India
Phone: +91-2642-242494-250524 • Fax: +91-2642-240520
E-mail: info@narmada.co.in

▲

35TH ANNUAL REPORT
2015-2016



SHREE NARMADA
ALUMINIUM INDUSTRIES LIMITED

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SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

BOARD OF DIRECTORS :

Shri Kantilal B. Patel	-	Chairman and Managing Director
Shri Dharmshi J. Patel	-	Executive Director (Resign on 3/5/16)
Shri V. Krishna Swamy	-	Director
Shri Babubhai K. Shah	-	Director
Shri (Dr.) Arvind A. Raval	-	Director
Shri Milan R. Patel	-	Director
Smt. Amrutaben K. Patel	-	Director (Appointed on 26-3-2015)

AUDITORS :

CHOKSHI & CHOKSHI
Chartered Accountants
Mumbai.

COMPANY LAW CONSULTANTS :

NIRAJ TRIVEDI
Company Secretaries
Vadodara.

REGISTERED OFFICE AND WORKS :

95/1, Bharuch-Palej Road,
Bholav (Dist. Bharuch),
Gujarat, Pin Code - 392 001.

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NOTICE

Notice is hereby given that the THIRTY FIFTH Annual General Meeting of the Members of SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED, (CIN L91110GJ1981PLC004269) is scheduled to be held on Tuesday, the 27th day, the September, 2016, at 11.00 a.m. at Hotel Shalimar Station Road, Bharuch to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Financial Statement including the statement of Profit and Loss for the financial year ended 31st March, 2016 together with Reports of the Directors' and Auditors' thereon.
2. To appoint Mr. Milan Patel (holding DIN 02143088) as a Director of the Company, who retires by rotation and being eligible to offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution.

"RESOLVED THAT, pursuant to Section 139, 142 and other applicable provision of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 28th September, 2015, M/s. Chokshi & Chokshi, Chartered Accountants, Mumbai (Firm Registration No. 101872W) be and are hereby re-appointed as Statutory Auditors of the Company and shall held office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2017."

"RESOLVED FURTHER THAT as may be determined by the audit committee in consultation with the auditors, the Board is authorized to fix the remuneration payable to the auditors for the financial year ending March 31, 2017."

Registered Office:
Plot No 95/1, BholavPalaj Road,
Bhalav, Bharuch,
Gujarat – 392001

By order of the Board of Directors

Place: Mumbai
Date : 02.09.2016

Kantilal Bhuralal Patel
Managing Director
(DIN 01441306)



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Notes:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
3. The Register of Members and Share transfer Books of the Company will remain closed from 23rd September, 2016 to 27th September, 2016 (both days inclusive).
4. Members /proxies should bring the attendance slip duly filled in for attending the meeting.
5. Members are requested to intimate the change of address, if any, to the Registrar at 95/1 Bharuch Palej Road, Bholav, Bharuch- 392001.
6. Members desiring any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
7. The Members, who wish to take advantage of the nomination facility, can obtain the prescribed nomination form, from the Company's Registrar and Transfer Agent.
8. Brief resume of Mr. Milan Patel is annexed to this.
9. Voting through electronic means
 - I. In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rule, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The Instruction for members for voting electronically are as under:-

The Company has not established the connectivity with CDSL and NSDL mainly due to negative net worth and hence all the members of the Company are holding shares of the Company in physical form. Accordingly we are giving instruction for e-voting only for members receiving the physical copy:

The Instruction for members for voting electronically are as under:-

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
- (iv) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) Please follow the steps given below:



For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders.</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.



OTHER INFORMATION:

- (A) The voting period begins on 24th September, 2016 at 9.00 a. m. and ends on 26th September, 2016 at 5.00p. m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (C) Mr.NirajTrivedi, Practicing Company Secretary (Membership No.FCS 3844, CP NO.3123) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (D) The Scrutinizer shall within a period not exceeding 3 (Three) working days from conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (E) The result shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office the Company during normal business hours (11:00 am to 5:00 pm) on all working days except Saturday, up to and including the date of the Annual General Meeting of the Company.
11. The Company's Equity Shares are listed at BSE Limited with script code 513127 and Listing Fees for the Financial year 2016-17 has been Paid.

Registered Office:
Plot No 95/1, Bharuch Palej Road,
Bholav, Bharuch,
Gujarat – 392001

By order of the Board of Directors

Place: Mumbai
Date : 02.09.2016

Kantilal Bhuralal Patel
Managing Director
(DIN 01441306)

Brief resume of person proposed to be re-appointed as Director of the Company at the Annual General Meeting



Name of the Director	Date of Birth	Date of Appointment	Expertise in Specific functional areas	Qualification	Directorship held in other Public Companies	No of Shares Held
Mr.Milan R. Patel1	4.04.1962	24.04.2008	27 years' experience in the field of accounts and finance	B.com and diploma in Business Administration	NIL	100

Registered Office:
Plot No 95/1, Bharuch Palej Road,
Bholav, Bharuch,
Gujarat – 392001

By order of the Board of Directors

Place: Mumbai
Date : 02.09.2016

Kantilal Bhuralal Patel
Managing Director
(DIN 01441306)



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Members,
M/s. Shree Narmada Aluminum Industries Limited

Your Directors have pleasure in presenting the 35th Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2016.

1. FINANCIAL RESULTS:

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Profit/(loss) before Financial Charges, Depreciation and Taxes	(2,976,411)	10,857,958
Less: Financial Charges Depreciation	127,863	4,768,030
Net Profit after depreciation and tax	(3,104,274)	6,089,928
Add: Loss brought down from earlier year Prior Period Adjustment for Taxes	(303,486,289) 0	(308,791,381) 7,84,836
Balance (Loss) carried to Balance Sheet	(306,590,563)	(303,486,289)

2. DIVIDEND:

In view of the accumulated losses, your Directors are not in a position to recommend any dividend for the year under review and regret for the same.

3. THE STATE OF COMPANY'S AFFAIRS AND OUTLOOK:

On account of general depressed market conditions for metal industries and on account of the fact that the Company's factory has been taken over possession by the Court receiver DRT-III, Mumbai since 6-8-2015 the company's operations have temporarily stopped and its turnover has decreased from Rs. 370.93 lac to Rs. 82.67 lac resulting in the financial year ending 31-3-2016 with a loss of Rs. 31.04 lac as against profit of Rs. 60.90 lac in the previous financial year. Your directors inform you that in spite of the Scheme of Compromise and/or Arrangement being sanctioned by the Hon'ble High Court of Gujarat by its order dated 16-5-2008 and ICICI and in its place Kotak Mahindra Bank Ltd. being paid over all that was payable to it under the Scheme, Kotak Mahindra Bank Ltd. has approached the Hon'ble DRT-III Mumbai which has by its ex-parte order dated 5-1-2015 appointed a Receiver to take physical possession of the Company's factory. The Court Receiver has taken possession of the factory of the Company on 6-8-2015. The Company has challenged the said order and the Company is also vigorously trying to get the said order vacated.

4. BOARD MEETINGS / COMMITTEE MEETINGS:

Board Meeting

6 (Six) Board meetings were held in the financial year 2015-16 and the gap between two Board meetings did not exceed 120 days. The same were held on 28th May 2015, 04th August, 2015, 12th August, 2015, 28th September, 2015, 09th November 2015 and 14th February 2016.

The record of attendance of each Director:

Name of the Directors	No. of Meeting held	Board Meetings Attended During 2015-16
Mr. KantilalBhuralal Patel	06	06
Mr. Milan Rambhai Patel	06	06
Mr. Dharamshi Jeram Patel	06	06
Mr. ArvindAmrutlalRaval	06	06
Mr. Babubhai Kantilal Shah	06	06
Mr. KrishnaswamyVaidyanathan	06	05
Mrs. AmrutabenKantilal Patel	06	06

Audit Committee

4 (Four) Audit Committee meetings held during the financial year 2015-16. The same were held on 28th May, 2015, 12th August, 2015, 09th November, 2015 and 14th February, 2016.

The composition of the Audit Committee is as under:

Name of the Member	Chairman / Member	No. of Meeting held	Meetings Attended During 2015-16
Mr. Krishnaswamy Vaidyanathan	Chairman	04	04
Mr. Babubhai Kantilal Shah	Member	04	04
Mr. Milan Rambhai Patel	Member	04	04

The Board has accepted all recommendations of audit committee.

Nomination and Remuneration Committee

2 (Two) Nomination and Remuneration committee meetings held during the financial year 2015-16. The same were held on 04th August, 2015 and 14th February, 2016.

The composition of the Nomination and Remuneration Committee is as under:

Name of the Member	Chairman / Member	No. of Meeting held	Meetings Attended During 2015-16
Mr. Krishnaswamy Vaidyanathan	Chairman	02	02
Mr. Arvind A. Raval	Member	02	02
Mr. Babubhai Kantilal Shah	Member	02	02



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Investors' Grievance and Shareholders' Committee

1 (One) Investors' Grievance and Shareholders' committee meeting held during the financial year 2015-16. The same was held on 14th February, 2016.

The composition of the Investors' Grievance and Shareholders' Committee is as under:

Name of the Member	Chairman / Member	No. of Meeting held	Meetings Attended During 2015-16
Mr. Krishnaswamy Vaidyanathan	Chairman	01	01
Mr. Milan R. Patel	Member	01	01
Mr. Babubhai Kantilal Shah	Member	01	01

5. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of 134 (5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) 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.

6. STATEMENT ON INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**7. EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return in Form MGT 9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure 'A' to this Report.

8. COMPANY'S POLICY RELATING TO DIRECTORS:

The Company's policy relating to appointment of Directors, payment of managerial remuneration, directors qualifications, positive attributes, independence of directors and other related matters as provided under section 178(3) of The Companies Act 2013 is furnished in Annexure 'B' and attached to this report.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

10. RELATED PARTY TRANSACTIONS:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement/ Regulation 23 of Listing Obligations and Disclosure Requirements were in the ordinary course of business and on an arm's length basis, therefore, form AOC - 2 is not applicable to the Company.

11. MATERIAL CHANGES:

Kotak Mahindra Bank Ltd. has filed an appeal in the Gujarat High Court against the order of the learned Company Judge of the said Court sanctioning the Scheme of Compromise and/or Arrangement. In the said appeal the said Bank had prayed for the stay of the judgment and order sanctioning the Scheme which prayer has been rejected by the Division Bench of the Hon'ble Gujarat High Court. The Company has already deposited in the High Court the amount that would be payable to ICICI Bank (or to its lawful assignee) under the Scheme and Kotak Mahindra Bank Ltd. has already withdrawn the same keeping its rights and contentions open. In spite of this fact, Kotak Mahindra Bank Ltd. approached the Hon'ble DRT-III Mumbai which has by its ex-parte order dated 5-1-2015 appointed a Receiver to take physical possession of the Company's factory. The Court Receiver has taken possession of the factory of the Company on 6-8-2015 and the Company's operations have temporarily stopped since the said date. The Company has challenged the said order and the Company is also vigorously trying to get the said order vacated. On account of the said order, the Company is also not receiving lease rental of the premises.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Considering the present nature of activity, the provisions of Section 134(m) of the Companies Act, 2013 in respect of Conservation of energy etc. is not applicable to the Company.

There was no foreign exchange inflow or outflow during the year under review.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

13. RISK MANAGEMENT:

At present the Company's entire manufacturing unit of the Company has been acquired by the Court Receiver appointed by DRT – III Mumbai under securitization act and as a result, the Company has moved an application before appellate authority. Till the Company re-obtains the possession, your Company is not in a position to start commercial production.

Adverse market condition is also one of the risks for the Company at present. For the same the Company is establishing strong marketing base.

Due to poor financial conditions of the Company, it's not possible to retain experience personnel and as a result labour turnover ratio is very high. To overcome the same, the Company intent to appoint General Manager (Commerce) who will be taking care of all the department.

14. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 is not applicable to your Company for the current year.

15. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors as decided by Nomination Committee was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

The Directors expressed their satisfaction with the evaluation process

16. SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANY:

Company does not have any subsidiary / Joint venture/ other associate company.

17. DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 Mr. Milan Patel will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

You are therefore requested to give your consent for re-appointment of Mr. Milan Patel as Director of the Company.

The brief profile of Mr. Milan Patel is annexed to the notice.



18. DISCLOSURE UNDER SECTION 197 (12) AND RULES 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above rules are annexed at "Annexure - E" to this report.

19. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5 (2) COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

(i) Name of top 10 employees in terms of remuneration draw

Designation of the Employee	Remuneration received	Nature of Employment, whether contractual or otherwise	Qualification & Experience of the Employee	Date of commencement of employment	Age of such employee	The last employment held by such employee before joining the Company	Percentage of equity shares held
Managing Director	5,52,000		Commerce Graduate and 35 years' experience in the field of Finance and General Administration.	26.08.2001	58	-	1.56%
Whole time Director	4,05,000		Diploma in Mechanical and Electrical Engg. with First Division and 35 years experience in the field of Engineering and General Administration.	15.04.1981	61	-	0.27%
Accountant	96,000	Retainer (part time)	B.Com	1.4.2015	35	Doing personal retail job	Nil

(i) Employed throughout the year and were in receipt of remuneration of not less than Rs. 1.02 Cr. per annum

Not Applicable

(iii) Name of employees employed for part of the year and were in receipt of remuneration of not less than Rs. 8.50 Lacs per moth.

Not Applicable

Note :

- The percentage of equity shares held by above mentioned employees are 1.56% and 0.27% of Mr. Kantilal Patel and Mr. Dharamshi Patel respectively as on 31st March, 2016. None of the Company's employees is related to any directors of the company.



20. AUDITORS:

Statutory Auditor

M/s. Chokshi & Chokshi LLP, Chartered Accountants, Mumbai, present auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Members are requested to give consent for re-appointment and authorize the Board of Directors to fix their remuneration.

Secretarial Auditor

Mr. NIRAJ TRIVEDI, proprietor Company Secretaries (Membership No. FCS 3844, CP NO.3123) has been appointed as Secretarial Auditor for the financial year 2015-16.

The secretarial audit report is appended as an Annexure "D" to this report.

21. COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS :

Statutory Auditor

The qualified opinion on the basis Note 23 in Financial Statements referred to in the Auditor's report are self explanatory and do not calls for any further comments.

Secretarial Auditor

Members' attention is invited to the observation, qualification of Secretarial Auditor. We submit that :

- I. Company is in the process of preparing website which would be in compliance with the compliance with the requirements of Listing Regulaion, 2015 and Companies Act, 2013 and the same would be completed in due course of time.
- II. Company has failed to submit MR-1 in respect of re-appointment of Managing Director and aslo failed to submit some forms mainly due to the reason that Company's premises was taken over by Court Receiver and they were not allowing the Company to access the record of the Company. The Company has made representation before proper authority with a request to allow the access to the records so that the pending forms can be submitted.
- III. Company does not have Chief Financial Officer (CFO) and Company Secretary (CS) mainly due to the reason that the Company is not functioning and no qualified personnel are ready to join the Company considering the geographical location and also the financial position. However, the Company is in the process of appointing the same.
- IV. At some of point, the Company failed to give notice in newspaper as per Clause 41 (III) of Listing Agreement / Regulation 47 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. mainly due to the reason as stated above at Point No. 1.

22. DEPOSITS:

The Company has not accepted / renewed any deposits during the year and is also not carrying forward any deposits.

23. SIGNIFICANT AND MATERIAL ORDER IMPACTING THE GOING CONCERN STATUS AND

**COMPANY'S OPERATIONS IN FUTURE:**

As informed in spite of the fact that dues as payable under the sanctioned Scheme have already been paid to Kotak Mahindra Bank Ltd. claiming to be assignee of ICICI Bank, Kotak Mahindra Bank Ltd. has approached the Hon'ble DRT-III Mumbai which has by its ex-parte order dated 5-1-2015 appointed a Receiver to take physical possession of the Company's factory. The Court Receiver has taken possession of the factory of the Company on 6-8-2015 and the Company's operations have temporarily stopped since the said date. The Company has challenged the said order and the Company is also vigorously trying to get the said order vacated. On account of the said order, the Company is also not receiving lease rental of the premises.

24. INTERNAL FINANCIAL CONTROLS:

The Company has adequate internal financial control system with reference to the Financial Statements 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

25. REPORT ON THE SEXUAL HARRESSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013.

In terms of section 22 of the SEXUAL HARRESSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013 we report that, during 2015-16, no case has been filed under the said Act.

26. CORPORATE GOVERNANCE REPORT

In terms of circular SEBI CIR/CFD/Policy Cell/7/2014 dated 15th September, 2014 issued by SEBI, the amended clause 49 of Equity Listing Agreement and as stipulated under the Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is not mandatory for the time being in respect of Companies having paid up share capital not exceeding Rs. 10 Crores and Networth not exceeding Rs. 25 Crores as on the last day of previous financial year. In view of the above separate corporate governance report is not provided.

27. VIGIL MECHANISM

The Company has established a Vigil Mechanism and oversees through the Audit Committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company. The Vigil Mechanism Policy is appended as an Annexure 'E' to this Report.

28. Shares**a. Buy Back of Securities:**

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity:



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

The Company has not issue any Sweat Equity Shares during the year under review.

c. Bonus shares:

No Bonus shares were issued during the year under review.

d. Employee Stock Option Plan:

The Company has not provided any Stock Option Scheme to the Employee.

29. APPRECIATION

The Board of Directors records its grateful thanks to all the stakeholders of the Company for their continued support and co-operation.

on behalf of the Board of Directors ,

Place: Mumbai
Date : 02.09.2016

Kantilal Bhuralal Patel
Chairman and Managing Director
(DIN 01441306)



Form No. MGT-9 (Extract of annual return as on F.Y. ended on 31/03/2016)

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

I. REGISTRATION AND OTHER DETAILS:

i)	Corporate Identification Number	L91110GJ1981PLC004269
ii)	Registration Date	15/04/1981
iii)	Name of the Company	SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	Public /Company Limited by Share's
v)	Address of the Registered office and contact details	Plot No 95/1, Bholav Palaj Road, Bhalav, Bharuch – 392001
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Available as the Company has not established demate connectivity due to negative net worth.

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:-

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Aluminium Extruded Sections	7604	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :
Not Applicable**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		8110	8110	1.56%		8110	8110	1.56%	0
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.		326064	326064	62.60%		326064	326064	62.60%	0
e) Banks / FI									
f) Any Other.... (person acting in concert)		54421	54421	10.45%		54421	54421	10.45%	0
Sub-total (A) (1):-		388595	388595	74.60%		388595	388595	74.60%	0
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)		388595	388595	74.60%		388595	388595	74.60%	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Nationalized Banks									



Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) FI		24084	24084	4.62%		24084	24084	4.62%	0
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
l) Others (specify)									
Sub-total (B)(1):-		24084	24084	4.62%		24084	24084	4.62%	0
2. Non Institutions									
a) Bodies Corp.									
i) Indian		23093	23093	4.43%		23093	23093	4.43%	
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh		85126	85126	16.64%		85126	85126	16.64%	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh									
c) Others (specify)									
Sub-total (B)(2):-		108219	108219	20.78%		108219	108219	20.78%	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)		132303	132303	25.40%		132303	132303	25.40%	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		520898	520898	100%		520898	520898	100%	0



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

ii) Shareholding of Promotors

Sr. No.	Shareholder's Name	Shareholding at the end of the year			Shareholding at the beginning of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of Company	% of Share Pledged	No. of Shares	% of total Shares of Company	encumbered to total share	
1	M L Mansukhani & Co Pvt Ltd	1,67,647	32.18	—	1,67,647	32.18	—	0
2	Maharashtra Aluminium & Alloys Pvt Ltd	76,650	14.71	—	76,650	14.71	—	0
3	Patel Sales Pvt Ltd	77,767	14.93	—	77,767	14.93	—	0
4	Hirenbhai Deepakbhai Patel	24,987	4.80	—	24,987	4.80	—	0
5	Deepakbhai B Patel	12,370	2.38	—	12,370	2.38	—	0
6	Kantibhai B Patel	8,110	1.56	—	8,110	1.56	—	0
7	RajuBhurabhai Patel	6,170	1.18	—	6,170	1.18	—	0
8	Pravin Kumar Bhurabhai Patel	5,640	1.08	—	5,640	1.08	—	0
9	Amar Board & Paper Mills Pvt Ltd	4,000	0.77	—	4,000	0.77	—	0
10	Dharamshi Jeram Patel	1,410	0.27	—	1,410	0.27	—	0
11	Heenabhen Deepak Patel	1,100	0.21	—	1,100	0.21	—	0
12	Divyanbhai Pravinbhai Patel	744	0.14	—	744	0.14	—	0
13	Sangeetaben Rajubhai Patel	700	0.13	—	700	0.13	—	0
14	Varshaben Pravinbhai Patel	700	0.13	—	700	0.13	—	0
15	Amrutaben Kantilal Patel	600	0.12	—	600	0.12	—	0
	TOTAL.....	388,595	74.60		388,595	74.60		



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

Sr. No.	Dena Bank	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	9,0,90	1.75%	9,0,90	1.75%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	9,0,90	1.75%	9,0,90	1.75%

Sr. No.	ICICI Trust ship Serv	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	14,994	2.88%	14,994	2.88%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	14,994	2.88%	14,994	2.88%

Sr. No.	Meghiben H Patel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	11,920	2.29%	11,920	2.29%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	11,920	2.29%	11,920	2.29%



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Sr. No.	Punita K Galjar	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	14,970	2.87%	14,970	2.87%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	14,970	2.87%	14,970	2.87%

Sr. No.	Mangalam Mercantile Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	15,692	3.01%	15,692	3.01%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	15,692	3.01%	15,692	3.01%

Sr. No.	Jelnex Mercantile Pvt. Ltd.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	6,741	1.29%	6,741	1.29%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	6,741	1.29%	6,741	1.29%

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Dharamshl Jeram Patel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1,410	0.27%	1,410	0.27%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	1,410	0.27%	1,410	0.27%

Sr. No.	Kantilal B Patel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	8,110	1.56%	8,110	1.56%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	8,110	1.56%	8,110	1.56%

Sr. No.	Amrutaben Kantilal Patel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	600	0.12%	600	0.12%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year	600	0.12%	600	0.12%



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

V. INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i). Principal Amount	—	32,966,706	Nil	32,966,706
ii). Interest due but not paid				
iii). Interest accrued but not due				
Total (i +ii+iii)	Nil	32,966,706	Nil	32,966,706
Change in Indebtedness during the financial year •				
• Addition				
• Reduction	—	26,880,000	Nil	26,880,000
Net Change	Nil	26,880,000	Nil	26,880,000
Indebtedness at the end of the financial year				
i). Principal Amount	Nil	59,846,706	Nil	59,846,706
ii). Interest due but not paid				
iii). Interest accrued but not due				
Total (i +ii+iii)	Nil	59,846,706	Nil	59,846,706


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

Sr. No.	Particulars of Remuneration	Name of MD /WTD/ Manager		Total Amount (Rs.)
		Mr. Kantilal B. Patel	Mr. Dharamshi J. Patel	
1.	Gross salary	552,000	405,000	957,000
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			
©	Profits in lieu of salary under section 17(3) Income Tax Act, 1961			
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify --Provident Fund	66,240	48,600	114,840
	Total (A)	618,240	453,600	1,071,840
	Ceiling as per the Act	30,00,000	30,00,000	30,00,000

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount (Rs.)
		Mr.B.K. Shah	Mr. Arvind A. Raval	Mr. V. Krishna swamy	Mr. Milan R Patel	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	6,500	4,000	6,000	5,500	22,000
	Total (1)	6,500	4,000	6,000	5,500	22,000
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	6,500	4,000	6,000	5,500	22,000
	Total Managerial Remuneration Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

C. Remuneration to Key Managerial Personal other than MD / Manager / WTD:Nil
D. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : Nil



Policy on Directors Appointment and Remuneration of Directors, Key Managerial Personnel and other employees

Introduction

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Appointments and Remuneration Policy ("the policy").

The objective of the policy is to ensure that right persons are appointed and they are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a remuneration policy for Directors, Key Management Personnel and other employees as follows:

i) Non-Executive Directors:

Non-Executive Directors are paid a sitting fee of Rs.500/-for every meeting of the Board or Committee thereof attended by them as member.

ii) Managing Directors, Key Managerial Personnel & Other Employees:

The objective of the Remuneration Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Directors shall take into account the Company's overall performance, their contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Company do not have stock option, plans and hence such instruments do not form part of the remuneration package.

Remuneration to Managing Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The remuneration structure to other employees will have compensation policy so as to reward and retain talent.



Criteria for Board Membership

Directors

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.'

Independent Director

Independent Director is a director who has no direct or indirect material relationship with the Company or any of its officers, other than as a director or shareholder of the Company.

Independent Director shall meet all criteria specified in Section 149(7) of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement/Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 entered into with BSE Limited.



Disclosure under Section 197 (12) and Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of each director to the median remuneration of the employee of the Company for the financial year ended 31st March, 2016.
2. The Percentage increase in remuneration of each Directors, CFO, Company Secretary in the financial year ended 31st March, 2016.
Not Applicable as there is no increase in the remuneration of directors
3. Percentage increase in median remuneration of employees in the financial year – Nil
4. The number of employees employed including manager and workers as on 31st March, 2016 :- Nil
5. Average percentile increase 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.
6. Affirmation that the remuneration is as per the remuneration policy of the Company

The Company affirm that the remuneration paid is in accordance with the remuneration policy of the Company.



VIGIL MECHANISM POLICY/ WHISTLE BLOWER POLICY

1. INTRODUCTION:

- ◆ We at SHREE NARMADA ALUMINUM INDUSTRIES LIMITED believe in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- ◆ The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- ◆ Clause 49 of the Listing Agreement/Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 between listed companies and the Stock Exchanges, inter-alia, provides, a non-mandatory requirement, for all listed companies to establish a mechanism called "Vigil Mechanism" & "Whistle Blower Policy" for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- ◆ The purpose of this policy is to provide a framework to promote responsible and secure Vigil Mechanism & whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- ◆ The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

2. POLICY:

The Whistle Blower Policy is a policy of the Company to encourage employees, when they reasonably believe that serious misconduct or wrongful activities have occurred or are occurring, to report them to the Company's management (on an anonymous basis, if employees so desire) as described below.

All reports will be taken seriously and will be promptly investigated. The specific action taken in any particular case depends on the nature and gravity of the conduct or circumstances reported, and the quality of the information provided. Where serious misconduct has occurred, those matters will be corrected and, if appropriate, the persons responsible will be disciplined.

Serious Misconduct or wrongful activities:

The following actions or activities may be considered as "Serious Misconduct or Wrongful Activities":

- Conduct which results in violation of law by the Company,
- Substantial mismanagement of Company resources,
- Unethical behavior,
- Actual or suspected fraud,



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

- Violation of the Company's Code of Conduct or ethics policy,
- Internal accounting controls or auditing matters,
- Any kind of Harassment

3. APPLICABILITY:

This Whistle Blower policy is applicable to all employees, including full time consultants, retainers and job-work employees of the Company irrespective of any grade/category/designation/Gender.

4. REPORTING:

Any employee who has sufficient reasons to believe that any act of serious misconduct or wrongful activity has occurred or is occurring within the organization, he may immediately report the same to his immediate HOD or the HR Head or directly to the concerned Managing Director of the Company, as he may desire.

While making aforesaid report of alleged misconduct, he must provide sufficient grounds or evidence, if any, in support of his report, to the satisfaction of the concerned HOD or Managing Director, as the case may be. The said report of alleged misconduct may be made in any of the following manner:

1. By making an Oral Report,
2. By sending a written report (on an anonymous basis, if employee so desire),
3. By sending email to his HOD or the concerned Managing Director.

If, for any reason, the concerned employee does not feel comfortable in discussing the matter with either his HOD or HR Head or the concerned Managing Director, he may bring the matter to the attention of the Audit Committee of the Company.

5. TIMING:

It is imperative that the employee brings such type of the matters to the Company's attention promptly, so that Company can take proper actions against the same.

6. INVESTIGATION:

All complaints under this policy will be promptly and thoroughly investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

All employees and supervisors have a duty to co-operate in the investigation of reports of such serious misconduct. In addition, an employee shall be subject to disciplinary action, including the termination of their employment, if the employee fails to co-operate in an investigation or hides any material information or deliberately provides false information during an investigation.

If, at the conclusion of its investigation, the Company determines that a violation of policy has occurred, the Company will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of policy.



7. DISCRIMINATION, RETALIATION OR HARASSMENT:

The Company strictly prohibits any discrimination, retaliation or harassment against any person who reports incidents of such serious misconduct, based on the person's reasonable belief that such misconduct occurred. The Company also strictly prohibits any discrimination, retaliation or harassment against any person who participates in an investigation of complaints about such serious misconduct.

Any complaint that any managers, supervisors, or employees are involved in discrimination, retaliation or harassment related to the reporting or investigation of serious misconduct, shall be promptly and thoroughly investigated in accordance with the Company's investigation procedures. If a complaint of discrimination, retaliation or harassment is substantiated, appropriate disciplinary actions, up to and including discharge, will be taken.

8. RETENTION OF DOCUMENTS :

All documents related to the reporting, investigation and enforcement of this policy, as a result of a report of serious misconduct, or of the discrimination, retaliation or harassment of an employee that made such a report, shall be kept in accordance with the Company's record retention policy and applicable law.

9. CONFIDENTIALITY :

The Company ensures that the information regarding the employee who has reported about the suspected misconduct will be kept confidential by the Company at any point of time. The Company further ensures that the information regarding employee who has participated in the investigation or provided material information during the course of investigation will be kept confidential by the Company, at any point of time.

10. FALSE OR MALAFIDE ALLEGATION:

An employee who knowingly makes false or malafide allegations of unethical & improper practices or alleged wrongful conduct to the HOD or the concerned Managing Director or the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, as the competent authority may deem fit.

11. ADDITIONAL ENFORCEMENT INFORMATION:

The Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies will be viewed as unacceptable under the terms of employment at the Company. Certain violations of the Company's policies and practices could even subject the Company and any individual employees involved to civil and criminal penalties.

12. MODIFICATION IN THE POLICY :

The Audit Committee or the Board of Directors of the Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with laws and regulations and / or accommodation organizational changes within the Company.



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members
M/s. Shree Narmada Aluminium Industries Limited
Plot No 95/1, Bholav Palaj Road,
Bhalav, Bharuch – 392001,
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable for this year.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable for this year.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and -Not applicablefor this year.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicablefor this year.
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Applicable laws - a informed and confirmed by the management considering the present position of the company, no other Acts applicable to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd, Mumbai.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. Company did not have its Functional website.
2. Company did not appoint Company Secretary as KMP on the Board.
3. Company did not filed some forms on time with ROC.
4. Company did not filed form MR-1 with ROC in respect of the re-appointment of MD.
5. Company failed to issue public notice in newspapers of Board Meeting in which financial results are to be considered.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried through on the basis of majority and there were no dissenting views.

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

We further report that during the audit period, there were no other specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Place: Vadodara
Date : 27.08.2016

Signature :
Name of PCS : NIRAJ TRIVEDI
C. P. No. : 3123

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



To,

The Members

M/s. Shree Narmada Aluminium Industries Limited

Plot No 95/1, Bholav Palaj Road,

Bhalav, Bharuch – 392001,

Gujarat.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

NIRAJ TRIVEDI

Practicing Company Secretary

FCS - 3844

C. P. No. 3123

Date: 27.08.2016

Place: Vadodara



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- **INDUSTRY STRUCTURE AND DEVELOPMENT:**

On account of severe competition and general depressed market conditions the Company's operations are adversely affected. The Company could not achieve the projected level of operations.

- **OPPORTUNITIES AND THREATS**

Due to the high prices of raw materials Company could not increase the level of operations. Also due to non-availability of working funds the Company has not been able to reach projected level of operations.

- **OUTLOOK**

The Company is confident of achieving projected profitable level of operations within the next 3 to 4 years.

- **RISK AND CONCERNS**

The Company's ability to work at profitable levels depends on availability of materials at competitive prices and increased requirements of Company's product.

- **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

Your Company has adequate internal control procedures commensurate with the size and nature of business. These procedures ensure efficient use and protection of the resources and compliance with policies, procedures and statutes. There is a periodical review mechanism for ensuring the sustenance and up-gradation of these systems. Internal Audit is being conducted by an independent firm of Chartered Accountants on a periodical basis and their report and observations are informed and discussed at Audit Committee Meeting in details and recommendations are implemented.

- **DISCUSSION ON FINANCIAL PERFORMANCE**

The Company commenced its Financial Year with an accumulated loss of Rs.3034.86 Lakhs. The Company could not achieve profitable level of operations, resulting in loss of Rs.31.04 lakhs during the year.

- **HUMAN RESOURCES AND INDUSTRIAL RELATIONSHIPS**

Recognizing that people are an important part of the organization, a major exercise in training and development of employees has been undertaken at all levels. The Company gives a lot of importance to Human Resources activities. These activities have helped to retain and motivate employees of the company.

- **CAUTIONARY STATEMENT**

Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include raw material availability and price, cyclical demand and pricing in the Company's principal market, changes in the Government regulations, tax laws, other statutes and economical development within India etc.



Independent Auditors' Report

To the Members Of
Shree Narmada Aluminium Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Shree Narmada Aluminium Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' 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 there-under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain 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.

Basis of Qualified Opinion

The Company is a sick Company under Sick Industrial Companies Act, 1985. The order of the Honourable High Court of Gujarat dated May 16, 2008 for rehabilitation is under the process of implementation. Meanwhile, a secured creditor filed an application before Debt recovery Tribunal-III



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

(DRT-III) and the court receiver now having the possession of property. Despite net worth of the Company fully eroded, the Management is of the opinion that the Going Concern Assumption is sustainable and accordingly the accounts of the Company have been prepared on going concern basis. (Refer Note 23 of financial statements)

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except in respect of consequential possible impacts of the matters mentioned under Para 'Basis of Qualified Opinion' the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of state of Affairs of the Company as at March 31, 2016 and its loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1.2 As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) Except for the effects of the matters described in the Basis for Qualified Opinion Paragraph above in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) Except for the effects of the matters described in the basis for Qualified Opinion Paragraph above in over 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) The matter described in the basis for Qualified Opinion Paragraph above, may not have adverse effect on the functioning of Company (Refer note 23).
- f) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) 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".
- h) 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:

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- I. The Company has disclosed the impact of pending litigations on its financial position-Refer Note No. 20 and 22 of the financial statement.
- 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.

For Chokshi & Chokshi LLP
Chartered Accountants
(Firm Registration No. 101872WW100045)

Place of Signature: Mumbai
Date: 31/05/2016

Raghav Mohta
Partner
Membership No.426718



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Annexure A to Independent Auditors' Report (Referred to paragraph 1 of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

- i. In respect of its fixed assets:
 - (a) According to the information and explanations given to us, the Company is maintaining records showing full particulars, including quantitative details and situations of all the fixed assets.
 - (b) According to the information and explanations given to us, the all the fixed assets are in possession of the court receiver. Hence during the year physical verification was not conducted by the Management.
 - (c) According to the information and explanations given to us, the documents related to immovable property are in possession with court receiver. Hence we are unable to express our opinion as to the title deed of immovable property are in the name of the Company. (refer note 23)
- ii. The company is a trading company; it does not hold any inventories. Thus, clause 3(ii) (a), (b), & (c) of the order regarding physical verification of inventories and maintenance of records is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, Limited Liability Partnerships firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii)(a) to 3(iii)(c) are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not given/made any loans, investments, guarantees, and security accordingly provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- v. The Company has not accepted any public deposits within the meaning of sections 73 to 76 of Companies Act, 2013 and rules framed there under;
- vi. As the Company is not a manufacturing concern, the clause 3(vi) of the Order regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing applicable undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, duty of excise , value added tax , cess and any other statutory dues with the appropriate authorities during the year and no such dues are outstanding for more than six months from the date they became payable.

(b)As at March 31, 2016, according to the records of the Company and the information and explanations given to us, disputed dues payable by the Company on account of Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Duty of Custom/ Duty of Excise are as under:



Sr No.	Nature of Dues	Name of Statute	For the year ended March 31, 2016	Period	Forum
1	The Bombay Sales Tax Act,	Sales Tax, Interest And Penalty	114,000	1991-92	Before Honorable Tribunal Filed by Company
2	The Bombay Sales Tax Act,	Sales Tax Interest And Penalty	2,217,000	1992-93	Before Honorable Tribunal Filed by Company
3	The Bombay Sales Tax Act,	Sales Tax, Interest And Penalty	2,618,000	1993-94	Before Honorable Tribunal Filed by Company
4	The Bombay Sales Tax Act,	Sales Tax, Interest And Penalty	918,000	1994-95	Before Honorable Tribunal Filed by Company
5	The Bombay Sales Tax Act,	Sales Tax, Interest And Penalty	200,000	1995-96	Before Honorable Tribunal Filed by Company
6	The Bombay Sales Tax Act,	Sales Tax, Interest And Penalty	8,000	1999-00	Before Honorable Tribunal Filed by Company

- viii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, in our opinion, the Company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
- ix. According to the information and explanations given to us, the Company has not raised any fund by way of public issue or from term loan.
- x. According to the information and explanation given to us, we have not come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, either noticed or reported during the year, on or by the Company.
- xi. According to the information and explanations given to us the Company has paid or provided managerial remuneration during the year according to provision of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not in the nature of a Nidhi Company as defined under section 406 the Companies Act, 2013.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in note no-: 25 of the financial Statements as required by the applicable accounting standards;



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

- xiv. 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, the company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chokshi & Chokshi LLP
Chartered Accountants
(FirmRegistration No. 101872W/W100045)

Place of Signature: Mumbai
Date: 31/05/2016

Raghav Mohta
Partner
Membership No.426718



Annexure B To The Independent Auditor's Report Of Even Date On The Financial Statements of Shree Narmada Aluminium Industries Limited.

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 Shree Narmada Aluminium Industries Limited. ("the Company") as of March 31, 2016 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 criteria established by the Company considering the size of Company and 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 ("the Guidance Note"). 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



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 were operating effectively as at March 31, 2016, based on the assessment of essential components of internal controls over financial reporting stated in the Guidance Note carried out by the Company and representation to that effect is made available to us by the Company.

For Chokshi and Chokshi LLP
Chartered Accountants
FRN 101872W/W100045

Raghav Mohta
Partner
M.No.426718

Place: Mumbai
Date: 31/05/2016



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED
Balance Sheet as at 31st March 2016

Particulars	Note No	Amount in Rupees	
		As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	5,296,465	5,296,465
(b) Reserves and Surplus	3	(57,011,773)	(53,907,499)
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	5,000,000	5,000,000
(d) Long term provisions	5	491,607	548,474
(4) Current Liabilities			
(a) Short-term borrowings	6	59,846,707	32,966,707
(b) Trade payables	7	1,060,073	1,224,435
(c) Other current liabilities	8	3,344,113	26,897,782
(d) Short-term provisions	9	1,127,803	1,037,845
Total		19,154,995	19,064,208
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,810,639	1,938,502
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
Total		1,810,639	1,938,502
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	11	15,970,722	15,873,104
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments			
(b) Inventories		-	-
(c) Trade receivables	12	-	937,080
(d) Cash and cash equivalents	13	126,330	289,615
(e) Short-term loans and advances	14	1,221,290	-
(f) Other current assets	15	26,014	25,907
Total		19,154,995	19,064,208

The accompanying notes form an integral part of the financial statements
Significant Accounting Policies and Notes to Financial Statements 1 to 38

As per our report of even date attached

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
(Firm Registration No. 101872W/W100045)

-sd-
Raghav Mohta
Partner
Membership No. 426718
Place : Mumbai
Dated : 31-05-2016

For and on behalf of the Board
-sd-
Kantilal B. Patel
(Chairman and Managing Director and CEO)

-sd-
Milan R Patel
(Director)



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED Statement of Profit and Loss as at 31st March 2016

Particulars	Note No	Amount in Rupees	
		For the year ended 31.03.2016	For the year ended 31.03.2015
I Revenue from operations	16	8,266,961	37,092,819
II Other Income	17	1,246,296	13,142,672
III Total Revenue		9,513,257	50,235,491
IV Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		8,266,961	37,077,981
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	18	1,215,742	1,213,947
Finance cost		-	-
Depreciation and amortization expense	10	127,863	4,768,030
Other expenses	19	3,006,965	1,085,605
Total Expenses		12,617,531	44,145,563
V Profit/(loss) before exceptional and extraordinary items and tax (III-IV)		(3,104,274)	6,089,928
VI Exceptional Items		-	-
VII Profit/(loss) before extraordinary items and tax (V-VI)		(3,104,274)	6,089,928
VIII Extraordinary Items		-	-
IX Profit/(loss) before tax (VII-VIII)		(3,104,274)	6,089,928
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit/(Loss) for the period		(3,104,274)	6,089,928
XII Earning per equity share of Face Value of Rs 10/- Each Basic and Diluted	27	(5.96)	11.69

The accompanying notes form an integral part of the financial statements
Significant Accounting Policies and Notes to Financial Statements 1 to 38

As per our report of even date attached

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
(Firm Registration No. 101872W/W100045)

-sd-
Raghav Mohta
Partner
Membership No. 426718
Place : Mumbai
Dated : 31-05-2016

For and on behalf of the Board

-sd-
Kantilal B. Patel
(Chairman and Managing Director and CEO)

-sd-
Milan R Patel
(Director)

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SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED Notes to Financial Statements For the year ended 31.03.2016

NOTE 2 SHARE CAPITAL

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Authorised		
5,000,000 (P.Y. 5,000,000) Equity Shares of Rs 10/- each	50,000,000	50,000,000
Issued and Subscribed		
520,897 (P.Y. 520,897) Equity Shares Of Rs . 10 Each	5,208,970	5,208,970
Paid - Up		
520,897 Equity Shares Of Rs . 10 Each fully paid-up	5,208,970	5,208,970
Add : Equity Shares forfeited (17499 equity shares of Rs 10 each; Rs 5 paid up)*	87,485	87,495
Total	5,296,465	5,296,465

Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2016	As at 31.03.2014
	No. of Shares	No. of Shares
Equity shares		
Shares outstanding at the beginning of the year	520,897	520,897
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	520,897	520,897

Terms/Rights attached to equity shares

*The company has only one class of equity shares having the par value of Re.10 per share. Each holder of equity share is entitled to one vote per share except in the case of voting by show of hands. The company has not declared any dividend for the Year ended March 2016. "

Details of shares held by each shareholder holding more than 5% shares:

Name of the Share Holder	As at 31.03.2016		As at 31.03.2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
M.L.Mansukhani and Co. Pvt Ltd	167647	32.18%	167647	32.18%
Maharashtra Aluminium and Alloys Pvt Ltd.	76650	14.71%	76650	14.71%
Patal Sales Pvt Ltd	72090	13.84%	72090	13.84%
	316387	60.74%	316387	60.74%

*Forfeiture of Equity Shares :

Details of shares forfeited in earlier years.	
No of shares Forfeited	17499
Face Value per share	10
Paid up value per share	5
Total amount forfeited	87485

Information regarding issue of shares in the last five years

During the year the Company has not issued any shares without payment being received in cash.
The company has not issued any bonus shares.
The company has not undertaken any buyback of shares.

NOTE 3 RESERVES AND SURPLUS

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Capital Reserve		
Opening balance	94,641,010	94,641,010
Add: Transferred from Profit & Loss Account	-	-
Closing Balance	94,641,010	94,641,010
Share Premium Account		
Opening balance	152,437,780	152,437,780
Add: Transferred from Profit & Loss Account	-	-
Closing Balance	152,437,780	152,437,780
Subsidy **		
Opening balance	2,500,000	2,500,000
Add: Transferred from Profit & Loss Account	-	-
Closing Balance	2,500,000	2,500,000
Surplus		
Opening balance	(303,486,289)	(308,791,381)
(+) Net Profit/(Net Loss) For the current year	(3,104,274)	6,088,828
(-) Less: Depreciation adjustment	-	784,836
(-) Less: Appropriation	-	-
Closing Balance	(306,590,563)	(303,486,289)
Total reserves and surplus	(57,011,773)	(53,907,499)

Foot Note:

**Subsidy received towards setting up industry in sales tax exempt area. This subsidy is not available for distribution of dividend.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED Notes to Financial Statements For the year ended 31.03.2016

NOTE 4 OTHER LONG TERM LIABILITIES	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Trade Payables	-	-
Others	5,000,000	5,000,000
Security Deposit received against lease	-	-
Total	5,000,000	5,000,000

NOTE 5 LONG TERM PROVISIONS	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Provision for Employee Benefits	-	-
Gratuity	350,210	407,283
Leave Encashment	141,397	141,191
Total Provisions	491,607	548,474

NOTE 6 SHORT TERM BORROWINGS	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Loans and Advances from Related Parties	-	-
Unsecured#	43,646,707	27,966,707
Others	-	-
Unsecured#	16,200,000	5,000,000
Total	59,846,707	32,966,707

Foot Note:

#Interest free unsecured Inter Corporate Loan in the nature of demand loan.
As per management, there is no default as on 31-3-2016 in respect of the said loan.

NOTE 7 TRADE PAYABLE	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Trade payables	-	-
Others	1,060,073	1,224,435
Total	1,060,073	1,224,435

NOTE 8 OTHER CURRENT LIABILITIES	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Current Maturities of Long Term Debts - Unsecured	-	25,543,300
Other Payables	-	-
Advance Received from Customers	-	350,514
Statutory dues	382,571	37,467
Outstanding expenses payable	2,961,542	966,500
Total	3,344,113	26,897,782

NOTE 9 SHORT-TERM PROVISIONS	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Provision for employee benefits	-	-
Gratuity	953,597	897,657
Leave Encashment	174,206	140,188
TOTAL	1,127,803	1,037,845



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

As at 31.03.2016

(Amount in Rs.)

NOTE 10 - FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2015	ADDITIONS	Deletion	AS AT 31.03.2016	AS AT 01.04.2015	During the Year	Deletion	AS AT 31.03.2016	AS AT 31.03.2015
Tangible Assets									
(1) Land - Freehold	425,055	-	-	425,055	-	-	-	425,055	425,055
(2) Building	17,931,316	-	-	17,931,316	17,090,701	26,331	-	17,119,032	840,615
(3) Plant & Machinery	47,476,565	-	-	47,476,565	46,817,411	88,088	-	46,905,499	659,154
(4) Furniture & Fixtures	1,344,234	-	-	1,344,234	1,344,234	-	-	1,344,234	-
(5) Office Equipment	694,865	-	-	694,865	694,865	-	-	694,865	-
(6) Computers	931,423	-	-	931,423	931,423	-	-	931,423	-
(7) Electrical Installations	4,373,577	-	-	4,373,577	4,359,899	11,444	-	4,371,343	13,678
(8) Vehicle	62,896	-	-	62,896	62,896	-	-	62,896	-
Total	73,239,931	-	-	73,239,931	71,301,429	127,863,00	-	71,429,292	1,810,639
Previous Year.	73,239,931	-	-	73,239,931	65,748,563	5,552,868	-	71,301,429	1,938,502

Foot Note :

1. All above mentioned Assets except vehicle are given under lease for a period of 99 years beginning from 05.07.2009.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

NOTE 11 LONG TERM LOANS AND ADVANCES

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Security Deposits - Unsecured, considered good	1,815,985	1,820,285
Other Loans & Advances - Unsecured, considered good		
"Balance with Government Authorities (refer note 21)"	11,916,134	11,916,134
Income Tax (Net of Provision)	632,488	523,040
Interest Receivable	1,606,115	1,613,645
TOTAL	15,970,722	15,873,104

NOTE 12 TRADE RECEIVABLE

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
More than six months		
- Unsecured, considered good	-	-
Others		
- Unsecured, considered good	-	937,080
Total	-	937,080

NOTE 13 CASH AND CASH EQUIVALENTS

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Cash Balance	78,575	115,001
Balances with Banks		
In Deposit Accounts	-	-
In Current Account	47,755	174,614
Total	126,330	289,615

NOTE 14 SHORT TERM LOANS AND ADVANCES

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Advances to Expenses	1,221,290	-
Total	1,221,290	-

NOTE 15 OTHER CURRENT ASSETS

	(Amount in Rupees)	
	As at 31.03.2016	As at 31.03.2015
Prepaid Exp	26,014	25,907
Total	26,014	25,907

NOTE 16 REVENUE FROM OPERATIONS

	(Amount in Rupees)	
	For the Year ended 31.03.2016	For the Year ended 31.03.2015
Sale of Products		
-Aluminium Extrusions/Billets	6,266,961	37,092,819
Net Revenue from Operations	6,266,961	37,092,819



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

NOTE 17 OTHER INCOME

	(Amount in Rupees)	
	For the Year ended 31.03.2016	For the Year ended 31.03.2015
Interest Income	323,519	1,929,466
Lease Rent Income	900,000	1,800,000
Sundry Balances written back	-	8,717,658
Other Miscellaneous Income	22,777	89,769
Prior Period Income	-	605,778
Total	<u>1,246,296</u>	<u>13,142,672</u>

NOTE 18 EMPLOYEE BENEFIT EXPENSES

	(Amount in Rupees)	
	For the Year ended 31.03.2016	For the Year ended 31.03.2015
Salaries	1,053,000	1,008,900
Contribution to Provident fund and other funds	162,742	205,047
Total	<u>1,215,742</u>	<u>1,213,947</u>

NOTE 19 OTHER EXPENSES

	(Amount in Rupees)	
	For the Year ended 31.03.2016	For the Year ended 31.03.2015
Advertisement and Publicity	172,250	150,650
Directors Sitting Fees	15,000	14,000
Legal and Professional Charges	1,664,761	214,824
Travelling and Conveyance	201,498	125,401
Insurance exp	98,799	71,577
Postage and Telephone	111,111	119,752
Printing and Stationery	82,310	80,063
Auditors' Remuneration (Refer Note No.31)	130,839	151,349
Bank charges	4,661	5,745
Service Tax Expense	215,606	-
Listing Fees	228,000	112,360
Balances Written Off (Refer Note 36)	25,336	10,008
Miscellaneous Expenses	56,794	29,875
Total	<u>3,006,965</u>	<u>1,085,605</u>



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
		Amount in Rs.	Amount in Rs.
A.	Cash Flow From Operating Activities		
	Net Profit/(Loss) before Taxation	(3,104,274)	6,089,928
	Adjustments for:		
	Depreciation	127,863	4,768,030
	Interest income	(323,519)	(2,019,235)
	Operating Profit before Working Capital Changes	(3,299,930)	8,838,723
	Adjustments for:		
	Trade receivables	937,080	(251,235)
	Short Term Provisions	89958	19807
	Long Term Provisions	(58,867)	40,782
	Other Current Liabilities	(23,553,669)	8,513,738
	Short Term Loans and Advances	(1,221,280)	-
	Long Term Loans and Advances	(105,148)	(13,690,979)
	Trade payables	(164,362)	(7,748,768)
	Other Current Assets	(107)	(25,907)
	Cash flow from Operations	(27,374,335)	(4,303,839)
	Direct Taxes Paid		
	NET CASH USED IN OPERATING ACTIVITIES	(27,374,335)	(4,303,839)
B.	Cash Flow From Investing Activities		
	Interest income	331,049	2,019,235
	NET CASH FROM INVESTING ACTIVITIES	331,049	2,019,235
C.	Cash Flow From Financing Activities		
	Movement in Unsecured Loans	26,880,000	1,661,000
	NET CASH FROM FINANCING ACTIVITIES	26,880,000	1,661,000
	Net Increase/decrease(-) in cash and Cash equivalent (A+B+C)	(163,286)	(623,603)
	CASH AND CASH EQUIVALENTS - OPENING BALANCE	289,615	913,218
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE(Refer Note 13)	126,330	289,615

The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 on cash flow statement issued by The Institute of Chartered Accountants of India.

All figures in brackets indicate Outflow.

The accompanying notes form an integral part of the financial statements
Significant Accounting Policies and Notes to Financial Statements 1 to 38

As per our report of even date

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
(FRN. 101872W/W100045)

-sd-
Raghav Mohta
Partner
Membership No. 426718
Place : Mumbai
Dated : 31-05-2016

For and on behalf of the Board

-sd-
Kantilal B. Patel
(Chairman and Managing Director and CEO)

-sd-
Milan R Patel
(Director)



Company Overview

Shree Narmada Aluminium Industries Limited is incorporated under Companies Act, 1956 in year 1986 and primarily engaged in the business of Trading in Aluminium. It given its premises on rent.

1. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation:

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act') so far as applicable, and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

ii. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting year. Difference between the actual results and estimates are recognized in the year in which results are known/ materialized

iii. Fixed Assets :

Fixed assets are recorded at cost of acquisition or construction cost (as reduced by CENVAT Credit as applicable) along with capitalised portion of specific or allocated expenses.

iv. Depreciation :

Depreciation on Fixed Assets is provided on Straight Line Method in accordance with and at the useful life prescribed in Schedule II of the Companies Act, 2013. Additions to fixed assets are depreciated on pro rata basis for number of days used during the year.

Asset Category	Useful Life (No. of years)
Computer	3
Office Equipments	5
Furniture & fixtures	10
Plant & equipments	15
Factory building	30
Office building	60

v. Inventories:

Stock is valued at cost or market value whichever is lower. Cost is calculated on First-In-First-Out basis after adjusting Sales tax and other set-off, if applicable.

vi. Revenue Recognition :

- Sale of Goods:
Sale of goods is recognised at the point of transfer of risks and rewards to customers.
- Commission Income:
Commission Income is recognised on completion of the service.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

- Rental income
Rental income is recognised on accrual basis.
 - Interest Income
Interest income is recognised on accrual basis
- vii. **Retirement Benefits:**
The Company's contribution to Provident Fund and other funds is charged to the Statement of Profit and Loss.
Other long term employee benefits comprise compensated absences which are provided based on an actuarial valuation carried out in accordance with AS 15 as at the Balance Sheet date.
The gratuity liability, which is a defined benefit plan, is provided on the basis of actuarial valuation as on Balance Sheet date on the projected unit credit method
- viii. **Foreign Currency Transactions:**
Transactions in foreign currency are recorded at the rates of exchange in force at the time of the transactions effected as prescribed in Accounting Standard -11 "The Effects of Changes in Foreign Exchange Rates" prescribed by Institute of Chartered Accountants of India.
- ix. **Government Grants :**
Subsidies received from Central and State Governments are accounted as Capital Reserve or credited to Profit and Loss a/c considering the nature of the Subsidy, the purpose for which it has been received and condition attached to that Subsidy.
- x. **Debtors/Creditors/Advances :**
Undisputed Debtors/Creditors balances/ advances outstanding for more than three years are provided/ adjusted at the financial year end after identification and ascertainment about their recoverability/payments.
- xi. **Borrowing Cost:**
Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily requires a substantial year of time to get ready for its intended use or sale. All other Borrowing costs are recognized as an expense in the year in which they are incurred..
- xii. **Taxes on Income :**
Provision for current tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of Income Tax Act, 1961. Company is registered as a sick Company with BIFR and hence MAT provisions related to Income Tax are not applicable.
Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized 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 realized. However, Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is a virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably/virtually certain, as a case may be that future taxable income will be available against which such deferred tax assets can be realized.
- xiii. **Impairment of Assets:**
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- xiv. **Provisions, Contingent liabilities and Contingent Asset:**
The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of



the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Asset is neither provided nor shown in notes on accounts

xv. Investments:

Trade Investments are the Investments made to enhance the Company's Business interest. Investments are either classified as current or long term. Investment intended to be held for more than one year are classified as long term investment and are carried at cost of acquisition inclusive of other attributable expenses. Long-term investments are carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognize the decline. Current investments are valued at the lower of cost or fair value.

xvi. Earnings per Share

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

xvii. Cash and cash equivalents:

Cash and cash equivalents includes balance with banks, deposit accounts with less than three months maturity, cash and cheques in hand, short term highly liquid investments and money lent on collateralized lending and borrowing obligation transactions.

xviii. Operating Lease

Lease arrangements where the risks and reward incidental to the ownership of the assets substantially vest with the lesser, are recognized as operating leases. Lease rents under operating leases are recognized in the profit and loss account.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS:

20. In terms of the Scheme of Compromise or Arrangement under Sec.391 of the Companies Act 1956 with its Secured Creditors, Unsecured Creditors and Equity Shareholders which had been approved by Hon. High Court of Gujarat in their Order dated 16.05.2008 during the financial year 2008-09:
- The Company has paid Rs.20,000,000/- to the Financial Institutions and Bank as full and final Settlement of their claims which includes Rs.5,141,000/- deposited with the Hon. High Court of Gujarat in respect of one of them arising out of securitisation of assets. The said institution has already withdrawn the amount deposited with Hon. High Court of Gujarat fully.
 - The Company has reduced the face value of the Equity share of Rs.10/- to Rs.1/- and has subsequently issued 1 (One) Equity Share (new) of Rs.10/- each as fully paid up against 10 (Ten) shares of Rs.1/- each.
 - The Company has issued New Equity Shares of Rs.10/- at a premium of Rs.740/- per Equity share to few unsecured creditors in full and final settlement of their claims.
 - The Company has paid 25% of dues of other unsecured creditors in full and final settlement of their claims and balance 75% of their dues is accounted under Business Restructuring Account.

Meanwhile, the party referred to in (a) above in respect of Rs.5,141,000 filed an appeal against the above Order before a Division Bench of the Hon. High Court of Gujarat claiming additional amount, for the same matter is still pending.

21. The company has received order from Gujarat Board for Industrial and Financial Reconstruction (GBIFR) Dated. 11/7/2014 regarding payment of Commercial Tax (VAT) and Electricity duty dues. The order includes remission of entire amount of Interest, penal interest and penalty. The above approval is subject to term and conditions as given in the said order.

The details of dues and remission are as under:

(Amount in Rs.)

S. NO	Department	Outstanding as on 31.3.2010	Amount payable	Remission amount (Interest, penal interest & penalty)
1	Commercial Tax department	49,646,000	25,000,000	24,646,000
2	Electricity Duty	8,259,000	3,937,000	4,322,000
3	Total	57,905,00	28,937,000	28,968,000

Company has admitted all the dues in the financials. Company has paid this amount in the month of March 2015 and April 2015. Company had paid for Electricity duty Rs. 39,37,000 and for Commercial tax Rs. 79,79,134 over and above the amount payable as per the order. Company has sent a Request letter for refund of the above amount and reply from department is pending.

22. Contingent Liabilities not provided for:

- Disputed Sales Tax liabilities Rs. 6,075,000/- (P. Y. Rs. 6,075,000/-)
- In the settlement with the secured creditors a larger share is claimed by a party (as mentioned in Note No.20 above) by filing an appeal in Honourable High Court of Gujarat. The Amount for the same is not ascertainable.
- Interest on disputed liability to creditors, the amount is not ascertainable as there is a counter claim by the Company and the matter is pending with the Hon. Bombay High Court. The Management is of the opinion that no provision is required for interest, in terms of the Order of the Hon. High Court of Gujarat dated 16.05.2008 mentioned in Note No.20 above.

23. Going Concern:

- The Company has incurred losses in the past which has resulted into erosion of more than



50% of their net worth. Consequently the Company was registered as a sick company under the Sick Industrial Companies Act, 1985. The accounts of the Company have been prepared on going concern basis in spite of erosion of net worth and order of the Board for Industrial and Financial Reconstruction (BIFR) in its order dated 1.9.2000 it is stated that prima facie the Company was not likely to make up its net worth within a reasonable time while meeting all its financial obligations and was not likely to become viable in future and hence it was just, equitable and in public interest that it should be wound up. Company had filed an application to the Honourable Gujarat High Court for a Scheme of Compromise or Arrangement u/s 391 of Companies Act 1956 with its Secured Creditors, Unsecured Creditors and Equity Shareholders. The Company has received an order from High Court of Gujarat dated 16.05.2008 and the same is under the process of implementation. Also in Financial Year 2009-10 the company has leased out its Plant & Machinery and land & building. The lease duration for the same is 99 years as per the agreement.

(b) Meanwhile a secured creditor filed an application before Debt recovery Tribunal-III, Mumbai (DRT-III). On 05.01.2015 DRT-III, Mumbai passed an ex parte Order for secured creditor with Physical possession of Secured property i.e. factory at Bharuch including that from third party. The secured creditor who was acting in consonance with the understanding for over the period of eight months, suddenly initiated steps for taking Possession without awaiting for further order on 06.08.2015. DRT-III Mumbai appointed Court Receiver for the same. The said property is still in the possession of the court receiver. There are various original documents including title deeds of immovable property which are lying in the said premises. The management does not expect any risk for non availability of documents. The matter is still pending before DRT-III, Mumbai. The Company is continuously making reasonable efforts to take relief from said order..

(c) The management based on various legal opinions believe that going concern is sustainable. According to the Management, the company is Going concern and the accounts have been prepared on Going Concern basis. The Companies advocate has stated that the money deposited with Hon. High court as referred in note 20 above has been withdrawn by the said institution without prejudice its right and contention in the said Appeal referred in note 20 above. The Companies' assets of land and building have also appreciated. It is only that the court is not able to take up the matter on earlier basis. Based on the same Company has opined that there will not be any adverse impacts on the proceedings before Hon. High Court and BIFR and so as to affect the functioning of the Company.

24. Taxation:

(a) Income Tax Assessments have been completed up to the Assessment Year 2008-09. Provision for Income Tax has not been made considering the negative profits and carry forward losses. Also, as the Company continues to be a sick in terms of Sick Industrial Companies Act 1985 and Net Worth still remains to be negative, the MAT provision as per Income Tax Act 1961 has not been made.



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

(b) Deferred Tax Asset/ Liability

Particular	31.03.2016 (Rs.)	31.03.2015 (Rs.)
Deferred Tax (Asset)/Liability on account of timing difference in		
Depreciation	(188,379)	(250,351)
Deferred Tax Asset on account of timing difference in		
Leave Encashment	(97,521)	(86,946)
Gratuity	(402,876)	(4,03,226)
Unabsorbed Depreciation	(17,343,477)	(18,25,6918)
Carry forward losses	(2,877,950)	(48,34,377)
Total	(20,533,446)	(23,58,1467)
Of the above, Deferred Tax Asset (net)/liability recognised during the year on prudence basis	Nil	Nil
Deferred Tax Asset / Liability (net) at the end of the year	NIL	NIL

There are substantial unabsorbed depreciation and carried forward business losses under the Income Tax Act 1961. As a measure of prudence and in the absence of reasonable/ virtual certainty to earn taxable profits in future, deferred tax assets has been recognised only to the extent of reversal of deferred tax liability.

25. Related Party Disclosures as required by Accounting Standard-18 are as follows:

- I Related parties in which the Company has control – Nil.
- II Other Related Parties
 - Subsidiaries - Nil
 - Associates - M. L. Mansukhani & Co Pvt Ltd
 - Key Management Personnel - Shri Kantilal. B .Patel
- Shri Dharamshi .J. Patel
 - Enterprises owned or significantly Influenced by key management Personnel/Directors or their relatives – Shree Narmada Architectural Systems Ltd



III. Transaction with related parties during the year

Particulars	31.03.2015 (Rs.)	31.03.2016 (Rs.)
Director's Remuneration paid including contribution to other funds during the year-		
- Shri Kantilal. B .Patel		
- - Remuneration	552,000	4,55,400
- - Provident Fund	66,240	66,240
- Shri Dharamshi .J. Patel		
- - Remuneration	4,05,000	4,45,500
- - Provident Fund	48,600	64,800
Closing Balance		
Shri Kantilal B Patel		
- Payable	10,47,193	5,83,833
Shree Narmada Architectural Systems Ltd		
Purchases	8,266,961	3,70,77981
Lease Income	900,000	1,800,000
Interest income	1,45,783	1,38,158
Reimbursement of Expenses	87,658	66,595
Closing Balance		
Shree Narmada Architectural Systems Ltd		
- Payable	5,76,456	4,30,948
Unsecured Loan –		
M. L. Mansukhani & co. Pvt. Ltd.		
Opening Balance	27,966,706	313,05,707
Add: Taken during the year	16,205,600	33,76,000
Less : Repaid during the year	525,600	67,15,000
Closing Balance	43,646,706	2,79,66,706
Maximum Balance Outstanding during the year	43,646,706	3,13,65,706

26. Earnings Per Share (EPS):

Particulars	2015-2016 (Rs.)	2014-2015 (Rs.)
Profit/(Loss) after Tax	(3,132,364)	6089928
Weighted average No. of Equity Share Outstanding (Nos)	520,897	520,897
Basic and diluted EPS (Face Value Rs.10/-) (Rs.)	(6.01)	11.69

28. Segment Reporting:

Business Segments: The Company is engaged mainly in the business of trading in Aluminium Extrusions and other activities which are directly related thereto. During the financial year 2009-10 the company has leased out Plant & Machinery and Factory and Building for 99 years. The disclosure required as per AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is as follows:



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Particulars	2015-2016 (In Rs.)	2014-2015 (In Rs.)
Segment Revenue		
(a) Trading of Aluminium Extrusions	8,266,961	3,70,92,819
(b) Leasing	900,000	1,800,000
	9,166,961	38,892,819
Segment Results		
(a) Trading of Aluminium Extrusions	(4,250,797)	(22,74,705)
(b) Leasing	772,137	(2,968,030)
	(3,478,660)	(5,242,735)
Add: Other unallocated Income net of unallocated Expenses	346298	11,332,663
Profit before Tax	(3,132,362)	60,89,928
Taxation	-	-
Profit after Tax	(3,132,362)	60,89,928
Effect of prior period Adjustment	-	-
Net Profit/(loss)	(3,132,362)	60,89,928

Segment Assets: (Amount In Rs.)

Particulars	As at 31.03.2016	As at 31.03.2015
(a) Trading of Aluminum Extrusions	1,73,81,617	16,188,626
(b) Leasing	18,10,639	28,75,582

Segment Liabilities: (Amount In Rs.)

Particulars	As at 31.03.2016	As at 31.03.2015
(a) Trading of Aluminum Extrusions	65935652	62,675,242
(b) Leasing	52,15,606	50,00,000

Particulars in respect of Sales:

	2015-2016		2014-2015	
	M. Tons	Value (Rs)	M. Tons	Value (Rs.)
Aluminium Extrusions /Billets	45.553	8,266,961	182.8846	37092819
Total	45.553	8,266,961	182.8846	37092819

Purchases of Goods

	2015-2016		2014-2015	
	M. Tons	Value (Rs)	M. Tons	Value (Rs.)
Aluminium Extrusions /Billets	45.553	8,266,961	182.8846	37077981
Total	45.553	8,266,961	182.8846	37077981

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29. Income and Expenditure in Foreign Currency during the year is Rs NIL (Previous year Rs NIL).
30. Company being a sick unit could not obtain the services of full time Company Secretary in spite of its best efforts. However, the Company has engaged a Company Secretary in practice throughout the year.
31. Audit Remuneration (as shown under Note No 19 - Other Expenses) :-

Particulars	2015-2016 Rs.	2014-2015 Rs.
Audit Fees	70000	92000
Tax Audit Fee	12500	16500
Taxation Matters	20000	26200
Service Tax *	15375	16649
TOTAL	117875	151349

32. Employees Benefit

- a) The Company has recognised the following amounts in the statement of Profit and Loss for the year.

Particulars	2015-2016 Rs.	2014-2015 Rs.
Contribution to Employees' Provident Fund	108,987	131,056
Contribution to Employees' Deposit Linked Insurance Scheme	5,667	1,406

- b) The Actuarial Valuation of Gratuity and compensated absences have been done and the details of the same are:

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2015-2016 Rs.	2014-2015 Rs.	2015-2016 Rs.	2014-2015 Rs.
Discount Rate	7.92%	7.7%	7.92%	7.7%
Rate of increase in Compensation levels	5%	10%	5%	10%
Attrition (Past service(PS)) (PS 0-42)	1%	1%	1%	1%
Retirement Age	60 years	60 years	60 years	60 years



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
Present Value of Obligation as at 1st April, 2015	1,304,940	12,47,789	281,379	278541
Interest Cost	67,748	112247	19,552	25069
Current Service Cost	47,463	167823	14,705	85266
Benefit Paid	-	-	-	-
Actuarial (gain)/loss on obligation	(116,344)	(222,319)	(33)	(107,497)
Present value of Obligation as at 31st March, 2016	1,303,807	1304940	315,603	281,379

Changes in Fair Value of Plan Assets	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2015-2016 Rs.	2014-2015 Rs.	2015-2016 Rs.	2014-2015 Rs.
Fair Value of Plan Assets at the beginning of period	-	-	-	-
Expected returns on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial Gain/(loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at end of period	-	-	-	-

Changes in Fair Value of Plan Assets	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2015-2016 Rs.	2014-2015 Rs.	2015-2016 Rs.	2014-2015 Rs.
Fair Value of Plan Assets at the beginning of period	-	-	-	-
Actual returns on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Fair Value of Plan Assets at the end of period	-	-	-	-
Funded Status(including unrecognized past service cost)	(1,303,807)	(13,04,940)	(315,603)	(281,379)
Excess of actual over estimated return on Plan Assets	-	-	-	-



Expenses recognized in Profit and Loss Statement	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2015-2016 Rs.	2014-2015 Rs.	2015-2016 Rs.	2014-2015 Rs.
Current Service Cost	47,463	1,67,823	14,705	85,266
Interest Cost	67,748	1,12,247	19,552	25,069
Net Actuarial (Gain)/Loss recognized in the period	(116,344)	(222,319)	(33)	(107,497)
Expenses recognized in the Profit and Loss Account	(1,133)	57,751	34,224	2,838

Movement in Net Liability recognized in Balance Sheet	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2015-2016 Rs.	2014-2015 Rs.	2015-2016 Rs.	2014-2015 Rs.
Opening Liability	1,304,940	1,247,189	281,379	278,541
Expenses	(1,133)	57,751	34,224	2,838
Contribution	-	-	-	-
Closing Net Liability	1,303,807	1,304,940	315,603	281,379

Experience Adjustment

A) Gratuity	2015-2016 Rs.	2014-2015 Rs.	2013-2014 Rs.	2012-2013 Rs.	2011-2012 Rs.
Defined Benefit Obligation	-	-	-	-	-
Fair Value of Planned Assets	-	-	-	-	-
(Surplus)/Deficit	(116,344)	(222,319)	(2,21,636)	10,44,629	-
Experience Adjustment on Plan Liabilities[(Gain)/Loss]	-	-	-	-	-
Experience Adjustment on Plan Asset[(Gain)/Loss]	-	-	-	-	-
B) Leave Encashment					
Defined Benefit Obligation	-	-	-	-	-
Experience (Gain)/Loss on obligation	(33)	(107,497)	(111,862)	1,95,661	-
Experience Adjustment on Plan Liabilities[(Gain)/Loss]	-	-	-	-	-



SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED

33. Lease:

Disclosure as required by AS-19 on "Leases" issued by the Institute of Chartered Accountants of India is as below:

- a) Lease credited to Profit & Loss account during the year: Rs. 900,000/-
b) Future Minimum lease receipt under non-cancellable operation lease:

Particulars	2015-16	2014-15
Not later than one year	18,00,000	18,00,000
Later than one year but not later than five years	72,00,000	72,00,000
Later than five years	15,84,00,000	16,02,00,000

34. Disclosure under Micro Small and Medium Enterprises Act:-

The information regarding Small Scale Industrial Undertakings has been determined to the extent such parties have been identified on the basis of information available with the Company.

The Principal amount due to Small Scale Industrial Undertakings to whom the Company owes a sum exceeding Rs.1,00,000 and/or which are outstanding for more than 45 days and interest thereon is as follows.

- (i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:

	31-3-2016	31-3-2015
	(Rs.)	(Rs.)
Principal amount due	-	-
Of which outstanding for more than 45 days	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under the MSMED Act	-	-

The above information is given to the extent available with the Company.

35. Managerial Remuneration

Particulars	2015-16 (in Rs.)	2014-15 (in Rs.)
Salary, Allowances & Incentives	957,000	900,900
Contribution to Provident Fund	114,840	131,040



36. The Company has written off old outstanding balances amounting to Rs 25,336/- during the year.
37. The provisions of Companies Act, 2013 relating to corporate social responsibility (CSR) is not applicable to the Company.
38. Previous year figures have been regrouped / rearranged/ recasted wherever necessary to make them comparable with the current year figures.

As per our report of even date

For and on behalf of the Board

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN : 101872WW100045)

Kantilal B. Patel
(Chairman and Managing Director and CEO)

Raghav Mohta
Partner
Membership No.426718
Dated :31/05/2016

Milan R. Patel
(Director)

35TH ANNUAL REPROT 2015-2016



Registered Office : 95 / 1, Bharuch - Palej Road, Bholav, Dist. Bharuch, Gujarat - 392 001.

PROXY FORM

I/We _____
of _____ in the district of _____
being a member/members of Shree Narmada Aluminium industries Limited hereby appoint _____
of _____ in the district of _____
or failing him _____
of _____ in the district of _____
in the district of _____
as my/our proxy to attend and vote me/us on my/our behalf at Thirty Fifth Annual General Meeting of the
Company to be held on 27th September, 2016 at 11.00 a.m. and at any adjcummment thereof.

Dated this _____ day of _____ 2016.

Re 1
Revenue
Stamp

Signed by the Said _____

PROXY NO.	REFERENCE FOLIO NO.	NO. OF EQUITY SHARES
-----------	---------------------	----------------------

- Notes : (1) The form duly completed and signed as per specimen signature registered with the Company should be deposited at the Registered Office of the Company at Bholav. Dist. Bharuch not less than 48 hours before the time fixed for the commencement of the meeting.
(2) Proxy need not be a member.

----- ✂ ----- TEAR HERE ----- ✂ -----

SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED



35th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Name of the Shareholder

Mr./Mrs./Miss _____

(in Capital)

Name of the Proxy (To be filled in if the Proxy attends instead of the Member)

Mr./Mrs./Miss _____

(in Capital)

I hereby record my presence at the Thirty Fifth Annual General Meeting at Hotel Shalimar, Station Road, Bharuch, Dist. Bharuch, Gujarat - 392 001 on 27th September, 2016 at 11.00 a.m.

Reference Folio No. _____

Signature _____



BOOK-POST

If not delivered, please return to :
SHREE NARMADA ALUMINIUM INDUSTRIES LIMITED
95/1, BHARUCH - PALEJ ROAD,
BHOLAV (DIST. BHARUCH),
GUJARAT - 392 001