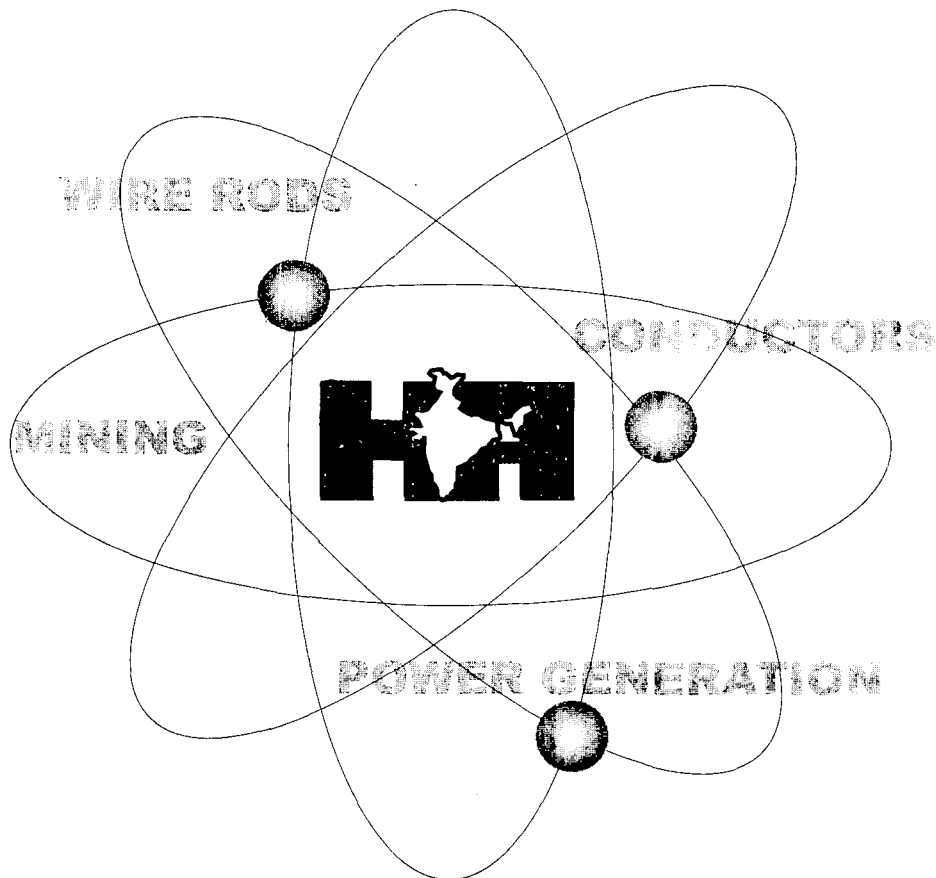


# HIND ALUMINIUM INDUSTRIES LTD.



**ANNUAL REPORT 2007 - 2008**

**ANNUAL REPORT 2007-2008**

**BOARD OF DIRECTORS**

Shri Lalit Kumar Daga                      Chairman  
Shri Shailesh Daga                      Managing Director  
CA. Sudhir Goel  
Shri Navin Shah  
Shri Sundeep Mohta

**EXECUTIVES**

Shri J.S.K.Vig                                      (President-Minerals Division)  
CA. K.Agarwal                                      (Advisor -Wire Rod & Conductor Division)  
Shri A.S. Agarwal                                      (Sr.General Manager-Marketing - Wire Rod Division))  
Shri Santosh L.Baghel                                      (General Manager-Works-Wire Rod & Conductor Division)  
Shri Mahendra Jain                                      (General Manager-Accounts)

**AUDITORS**

A.J.Baliya & Associates  
Chartered Accountants, Mumbai.

**BANKERS**

State Bank of India  
ICICI Bank Ltd.

**REGISTERED OFFICE**

B-1, Tulsi Vihar, Dr. Annie Besant Road,  
Worli Naka, Mumbai-400 018.

**PLANTS**

**Aluminium Wire Rod & Conductor**

Survey No.1/2, Village Khutali, Khanvel-Doodhani Road,  
Near Khanvel, Dist.; Silvassa - 396230  
Dadra & Nagar Haveli (Union Territory).

**Wind Turbine Generations**

1. Gut No.59-1/A, Village; Akhtwade,  
Dist.; Nandurbar (Maharashtra).
2. Location No. 275, Survey No.818 of Village Narasewadi,  
Taluka; Tasgaon, Dist.; Sangli (Maharashtra).

**Minerals Division**

5, Aishwarya Residency,  
G.E.Road, Telebandha,  
Raipur-492001 (Chattisgarh)

**REGISTRARS & SHARE TRANSFER AGENTS**

Computronics Financial Services (India) Ltd.  
1, Mittal Chambers, Nariman Point,  
Mumbai - 400 021. email: jchaudhary@computronicsindia.com

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**NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 21st Annual General Meeting of the Members of Hind Aluminium Industries Ltd. will be held at "Maheshwari Pragati Mandal-Mumbai" 1st Floor, Maheshwari Bhavan, 603, Jagannath Shankar Sheth Marg, Cheera Bazar, Marine Lines (East), Mumbai-400 002 on Saturday, the 30th August, 2008 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2008 and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend on equity shares for the year ended 31st March, 2008.
3. To appoint a Director in place of Shri Sudhir Goel who retires from office by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place : Mumbai  
Date : 30th June, 2008

**NOTES FOR MEMBERS' ATTENTION**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 28th August, 2008 to 30th August, 2008 (both days inclusive) for the purpose of Annual General Meeting & Dividend.
3. Dividend @ 15% on equity shares for the year ended 31st March,2008 as recommended by the board, if sanctioned at the Annual General Meeting, will be paid on or after 5th September,2008 to those members whose names appear in the Company's Register of members on 30th August, 2008. In respect of shares held in the electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose.
4. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the RTA and/or the Company at its registered office address.
5. As per the provisions of the Companies Act, 1956, facility for making nominations is available to INDIVIDUAL holding shares in the Company. The Nomination Form can be obtained from the RTA or the Company's registered office.
6. Details of the retiring Director seeking re-appointment pursuant to Clause 49 of the Listing Agreement.

Shri Sudhir Goel, is being liable to retire by rotation in the ensuing Annual General Meeting which will be held on 30.08.2008. He is a qualified Chartered Accountant and has over 25 years of experience in the Aluminium Industry. He is the Director of the Company from the date of its incorporation i.e.12.05.1987. He is advising about financial affairs of the Company. He is the Director in Nirav Commercials Ltd., Daga Capital Management Pvt.Ltd., Shubhmangal Portfolio Pvt.Ltd., Satyam Prima Capital Pvt.Ltd. & Goels Financial Services Pvt.Ltd.

7. Pursuant Section 205A read with Section 205C of the Companies Act,1956 as amended from time to time, the amount of dividend remain unpaid/unclaimed for the period of 7 years from the date of payment, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After that there remains no claim of the members whatsoever on the said amount accordingly, the dividend for the financial year ended (31st March,2001) and thereafter, which remains unclaimed for a period of 7 years will be transferred to the said account.
8. Members/ proxies should bring their Attendance slip herewith, duly filled in, for attending the meeting.

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place : Mumbai  
Date : 30th June, 2008

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors have pleasure in presenting the 21st Annual Report together with Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2008. The highlights of the financial results are as under:

<b>FINANCIAL RESULTS:</b>	<b>2007-2008</b> (Rs. in Crores)	<b>2006-2007</b> (Rs.in Crores)
<b>Total Income</b>	<u>206.49</u>	<u>202.49</u>
<b>Gross Profit</b>	8.73	10.17
Less: Depreciation	<u>2.12</u>	<u>1.12</u>
<b>Profit before tax</b>	6.61	9.05
Tax expenses	<u>2.37</u>	<u>3.15</u>
<b>Profit after tax</b>	4.24	5.90
Add: Balance brought forward from previous year	<u>19.68</u>	<u>14.89</u>
<b>Surplus available for appropriation</b>	<u>23.92</u>	<u>20.79</u>
<b>Appropriation :</b>		
General Reserve	0.25	0.25
Dividend	0.75	0.75
Corporate tax on dividend	<u>0.13</u>	<u>0.11</u>
<b>Balance transferred to Balance Sheet</b>	<u>22.79</u>	<u>19.68</u>

**REVIEW OF OPERATIONS**

During the year the Company has shown improved sales. The total income has increased from Rs.202.49 Crores to Rs.206.49 Crores. The gross profit has reduced from Rs.10.17 Crores to Rs.8.73 Crores. This has mainly been on account of reduction in the value of aluminium which has resulted in stock losses. Profit after tax has also reduced from Rs.5.90 Crores to Rs.4.24 Crores. The depreciation and interest on account of Wind Turbine Generator & Conductor Division are mainly responsible for this decrease.

**DIVIDEND**

Your Directors are pleased to recommend a Dividend of Rs.1.50 per equity share i.e 15% which after your approval at the ensuing Annual General Meeting, will be paid in line with the applicable rules.

**WIRE ROD**

The Aluminium Wire Rod manufacturing unit at Silvassa produced 18573.94 MT as compared to 20205.36 MT in the previous year. This has mainly been on account of reduction in conversion job work the Company received. The conductor plant which is a forward integration of the Wire Rod plant was commissioned in the financial year 2007-08. Hopefully, this will contribute to revenue in the coming years.

**MINING BUSINESS**

In the year 2007-08 the Company ventured into trading

of Iron Ore other than Bauxite which it was already involved in. The Company sold approximately 50,000 MT of Iron Ore in the year and approximately 29,000 MT of Bauxite. In the coming year the Company hopes to expand its operations in both Iron Ore as well as Bauxite and both these items should contribute significantly to the topline and bottomline of the Company.

**WIND POWER GENERATION**

Your Company has two Wind Turbine Generator (WTG), one is of 1.25 Mega Watts located at District Nandurbar and another is 1.50 Mega Watts located at Sangli, both are in Maharashtra State. During the year 49,20,084.96 units of power were generated as compared to 21,38,576.80 units in the previous year.

**ALUMINIUM CONDUCTOR**

As mentioned earlier the Company has commissioned an Aluminium Conductor Plant with an installed capacity of 12,000 MT per annum at Silvassa. The commercial production of this unit has started. This plant is a forward integration to the Wire Rod plant. Conductors are mainly sold to utilities and there is a registration process involved before such material is supplied. The Company has already started actively getting registered with various electricity boards so that in the coming year the Company is able to participate in the tenders issued by them and supply to these utilities.

**ISO 9002**

The Wire Rod as well as Conductor divisions of the Company are ISO 9001:2000 certified and the Company is committed to maintain and improve quality.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreements with the Bombay Stock Exchange Ltd., a Management Discussion and Analysis, Report on Corporate Governance and a Certificate from the Company's Statutory Auditors are a part of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO**

The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to this report.

**PARTICULARS OF EMPLOYEES**

During the year under review, the Company has not employed any person who was in receipt of remuneration exceeding the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA)

of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed that:

- i) in the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the directors had 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 as at 31st March, 2008 and of the profit of the Company for the said period;
- iii) the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

#### **AUDITORS**

M/s. A.J. Baliya & Associates, Chartered Accountants, Auditors of the Company, retire at ensuring annual general meeting, and being eligible, for re-appointment.

#### **ACKNOWLEDGEMENT**

The Directors would like to express their sincere appreciation of assistance and Co-operation received from their Bankers during the year under review. Directors also wish to place on record their deep sense of appreciation of the devoted services rendered by all the employees of the Company.

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place : Mumbai  
Date : 30th June, 2008

### **ANNEXURE TO DIRECTORS' REPORT**

#### **I. CONSERVATION OF ENERGY**

There are no major areas where energy conservation measures were viable. However, wherever possible, efforts were made to conserve use energy through improved operational methods.

#### **II. RESEARCH AND DEVELOPMENT**

##### **a. Specific areas in which R&D was carried out by the Company**

The Company is actively engaged in product

upgradation, design, development and new product development.

##### **b. Benefits derived as a result of the above R & D**

Improved product designs resulted in higher value added products which achieved better realisation.

##### **c. Future plan of action**

Emphasis on the above activities will be an on going exercise.

##### **d. Expenditure on R&D**

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same was being maintained.

### **III. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Since Company's products are being developed by an in-house R & D team, no further information under this head is required to be given.

### **IV. FOREIGN EXCHANGE EARNING AND OUTGO**

#### **a. Activities relating to exports**

During the year, the Company has export material of Rs.21.23 Crores as compared to Rs.Nil in the previous year.

#### **b. Initiatives taken to increase exports**

Your Company has been in constant touch with various customers around the world. We hope that our regular follow-up will result in procuring more export orders.

#### **c. Development of new export markets**

Your Company is constantly exploring the possibilities of exporting its products. This is an on going process.

#### **d. Export Plans**

Export sales can only be increased by developing relationship with prospective buyers. In this connection your Company's officials plan to visit some countries to explore possibilities of export sales.

#### **e. Total Foreign exchange used and earned**

The information on the above is given in Notes on Account (Schedule-N to the Accounts).

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place : Mumbai  
Date : 30th June, 2008

## REPORT ON CORPORATE GOVERNANCE

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

In terms of Clause 49 of the Listing Agreement executed with The Bombay Stock Exchange Ltd., the details of compliance are as follow:

**BOARD OF DIRECTORS**

## ❖ Composition of the Board :

Yours Company's Board comprise of 5 Directors, which include one Managing Director and two Independent Directors. The Chairman being Non-Executive, the total strength of independent Director are one -third of total strength. Securities and Exchange Board of India (SEBI) vide its circular dated April 08,2008 has amended Clause 49 of the listing agreement which has inter alia, stipulated that if the non-executive Chairman is a promoter or is related to promoters, at least one-half of the board of the Company should consist of independent directors. In view of the above change introduced by SEBI, the Company will have to have at least 50% independent Directors. Steps are being taken to comply with the above change proposed by the SEBI.

Non-Executive Directors : Shri Lalit Kumar Daga (Chairman)  
Shri Sudhir Goel

Managing Director : Shri Shailesh Daga

Independent Directors : Shri Navin Shah  
Shri Sundeep Mohta

## ❖ Attendance of each Director at the Board meetings and last AGM

Director	No. of Board Meetings Held	Attended	Attended last AGM
Shri Lalit Kumar Daga	11	11	Yes
Shri Shailesh Daga	11	11	Yes
Shri Sudhir Goel	11	11	Yes
Shri Navin Shah	11	11	Yes
Shri Sundeep Mohta	11	11	No

\* Annual General Meeting (AGM) held on 1st September, 2007 at Maheshwari Pragati Mandal, 603, Jagannath Shankar Sheth Marg, Cheera Bazar, Marine Lines (East), Mumbai - 400 002.

## ❖ Number of other Board or Board Committees in which he is a Member or Chairperson

Director	No. of outside Directorship Held		No. of Committee Wherein membership	
	Public	Private	Public	Private
Shri Lalit Kumar Daga	9	17	1	Nil
Shri Shailesh Daga	3	20	Nil	Nil
Shri Sudhir Goel	1	4	3	Nil
Shri Navin Shah	4	-	2	Nil
Shri Sundeep Mohta	1	-	2	Nil

1. None of them hold directorship in foreign companies.

2. Only three committees viz. the Audit Committee, Shareholders/ Investor Grievance Committee & Share transfer committees are considered.

## ❖ Number of board meetings held, dates on which held and number of Directors presents

Date of Board Meeting	Board Strength	No. of Directors Present
04.04.2007	5	5
15.05.2007	5	5
05.06.2007	5	5
30.06.2007	5	5
31.07.2007	5	5
07.09.2007	5	5
05.10.2007	5	5
31.10.2007	5	5
31.12.2007	5	5
31.01.2008	5	5
03.03.2008	5	5

Details of sitting fees paid to Non-Executive and Independent Directors who attended the board meetings and their shareholdings in the Company

Directors	Sitting Fees Paid (Rs.)	No. of Shares Held
Shri Lalit Kumar Daga	8250	412500
Shri Sudhir Goel	8250	1000
Shri Navin Shah	8250	3000
Shri Sundeep Mohta	8250	Nil

Apart from sitting fees that are paid to Non-Executive and Independent Directors for attending board / committee meetings, no other fees/ commission were paid during the year. The details of remuneration paid to Managing Director are as follows:

**A. Executive Director**

Managing Director	Relationship with other Director	Remuneration paid during 2007-2008			
		All elements of remuneration package i.e. salary, benefits, bonuses, pensions etc. (a)	Fixed component & performance linked incentives, Alongwith performance criteria (b)	Service contracts, notice period, severance Fee	Stock option Details, If any
Shri Shallesh Daga	Son of Shri Lalit Kumar Daga (Chairman)	4,20,000/-	Nil	Nil	Nil

- a) The appointment is for a period of 5 years w.e.f. 30.06.2006. No severance fees is payable to Managing Director.  
 b) The Company does not have any scheme for grant of stock options to its Director or Employees.

**AUDIT COMMITTEE**

Your Company has an Audit Committee. The composition, procedure, role/function of the committee comply with the requirements of the Companies Act,1956 as well as in accordance with Clause 49 of the Listing Agreement.

- ❖ Composition of Committee, meetings held & attended and sitting fees paid During the year, Audit Committee met four times.

Name of Member	No. of Committee Meetings Held	Attended	Sitting Fees Paid (Rs.)
Shri Navin Shah - Chairman (Independent Director)	4	4	3000
Shri Sundeep Mohta (Independent Director)	4	4	3000
CA. Sudhir Goel (Non-Executive Director)	4	4	3000

**SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE**

Your Company has a Shareholders/ Investor's Grievances Committee at the Board level under the Chairmanship of a Non-Executive Director.

The Committee meets to review the status of investor grievances and systems and procedures followed to track investor complaints and suggest measures for improvement from time to time. During the year the Committee met two times.

- ❖ Composition of Committee, meetings held, attended and sitting fees paid During the year, Shareholders/ Investor Grievance Committee met 2 times.

Name of Member	No. of Board Meetings Held	Attended	Sitting Fees Paid (Rs.)
CA. Sudhir Goel - Chairman (Non-Executive Director)	2	2	1500
Shri Navin Shah (Independent Director)	2	2	1500
Shri Sundeep Mohta (Independent Director)	2	2	1500

To expedite the Share transfer in physical segment, necessary authority has been delegated to a committee, which is authorised to transfer/transmission of shares. Details of the transfer/transmission are approved by the committee. Shri Deepak Chaturvedi has been appointed as Compliance Officer under Listing Clause 51 of the listing agreement.

Name and Designation of Compliance Officer: Shri Deepak Chaturvedi, Manager-Corporate under Listing Clause 51



- ❖ Details of complaints received, number of shares transferred during the year are furnished in the "Shareholder Information" section of this Annual Report.
- ❖ Location and time, where last 3 Annual General Meetings (AGMs) held

Year	Location	Date	Time
2007	Maheshwari Pragati Mandal, Mumbai - 400 002	1st September, 2007	10.30 a.m.
2006	Maheshwari Pragati Mandal, Mumbai - 400 002	19th August, 2006	10.30 a.m.
2005	Maheshwari Pragati Mandal, Mumbai - 400 002	23rd August, 2005	10.30 a.m.

Whether special resolutions passed in the previous 3 AGMs.

Yes, the following resolutions were passed as special resolutions:

At the AGM dated 19th August, 2006:

Re-appointment of Shri Shailesh Daga as Managing Director of the Company

At the AGM dated 1st September, 2007:

i. Fixing the borrowing limit of the Company upto Rs.300.00 Crores.

ii. Changed the name of Company from Associated Profiles & Aluminium Ltd. to Hind Aluminium Industries Ltd.

#### DISCLOSURES

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

Particulars of related party transactions are listed out in Schedule N of the Balance Sheet forming part of the Annual Report.

#### Disclosure of accounting treatment

Your Company has followed all relevant Accounting Standards while preparing the financial statements.

#### Risk Management

The Audit Committee of the Board has periodically reviewed the procedures laid down by your Company for assessing and managing risks.

#### Procedure from public issue, right issue, preferential issue etc.

During the year, your Company did not raise any fund by way of public, right, preferential issue etc.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Bombay Stock Exchange or SEBI or any other statutory authority, on any matter relating to Capital market during the year;

There has been no instance of non-compliances by your Company on any matter related to capital market and hence no strictures/penalties have been imposed on your Company by Stock Exchange or SEBI or any other statutory authority.

#### Management

The Management Discussion and analysis form part of the Annual Report and is in accordance with the requirements laid down in Clause 49 of the Listing Agreement.

There are no material transactions with related parties that may have potential conflict with the interests of the Company. As per Accounting Standard 18, relevant disclosures are made in the financial statement for the year.

#### SHAREHOLDER INFORMATION

1. Annual General Meeting
 

Date and Time	: 30th August, 2008 at 11.00 a.m.
Venue	: 'Maheshwari Pragati Mandal-Mumbai' 1st Floor, Maheshwari Bhavan, 603, Jagannath Shankar Sheth Marg, Cheera Bazar, Marine Lines (E), Mumbai - 400 002.
2. Financial Calendar
 

Fin. reporting for the quarter ending Jun. 30, 2008	: End of July, 2008
Fin. reporting for the half year ending Sep.30, 2008	: End of October, 2008
Fin. reporting for the quarter ending Dec. 31, 2008	: End of January, 2009
Fin. reporting for the year ending Mar.31, 2009	: End of June, 2009
3. Dates of Book Closure : 28th August, 2008 to 30th August, 2008  
(Both days inclusive)
4. Dividend payment date : On or after 5th September, 2008
5. email address for Investor Grievances : hind@associatedgroup.com
6. Registered Office : B-1, Tulsi Vihar, Dr.A.B. Road,  
Worli Naka, Mumbai - 400 018.
7. Listing Details & Stock Exchange's Script Code : Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai - 400 023.  
Script Code No.531979

Note : Listing fees for the year 2008-2009 has been paid to the Stock Exchange.

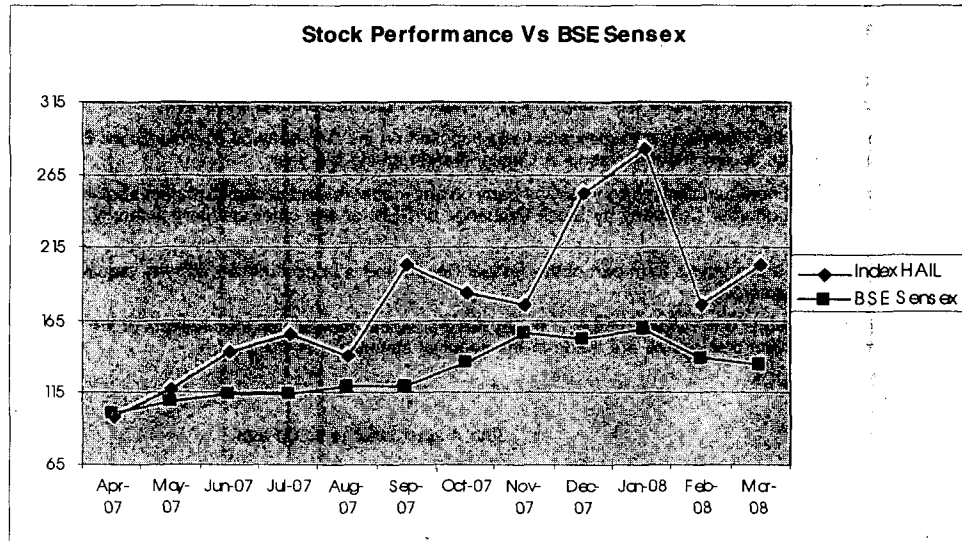
8. Means of communication

Unaudited quarterly results & yearly audited results normally published in daily English news paper "The Free Press Journal" and marathi daily news paper "Navshakti" in their Mumbai editions.

9. Stock Price Data

Month	High (In Rs.)	Low (In Rs.)	Close (In Rs.)	Total Volume (In Nos.)
April, 07	41.00	33.00	39.15	71809
May, 07	53.10	36.55	47.75	208761
June, 07	57.50	47.00	51.05	260547
July, 07	57.45	44.50	48.15	310696
August, 07	68.00	43.15	64.95	670397
September, 07	71.90	58.20	60.90	517661
October, 07	64.00	48.05	57.55	280443
November, 07	97.05	46.10	80.20	1007741
December, 07	101.95	81.70	92.30	398732
January, 08	100.00	53.90	58.30	191823
February, 08	69.80	51.05	69.65	78697
March, 08	69.00	40.35	48.05	150197

10. Stock Performance



11. Registrar and Transfer Agents

: Computronics Financial Services (India) Ltd.  
1, Mittal Chambers, Nariman Point,  
Mumbai - 400 021  
email : jchaudhary@computronicsindia.com

12. Share Transfer System

: Share transfer in physical form are dispatched within the prescribed time limit, if documents are clear in all respect.

The trading in the Company's share are permitted only in the dematerialized segment w.e.f.24th July,2000.

13. Investors Service

: Complaints received during the year:

<u>Nature of complaints</u>	<u>Pending for more than 21 days</u>	<u>Closing balance</u>
Relating to transfer, transmission, dividend, demat, remat and change of address etc.	Nil	Nil

## 14. Distribution of Shareholding as on 31st March, 2008

<u>No. of Equity Shares held</u>	<u>No. of Share holders</u>	<u>% of Share holders</u>	<u>No. of shares held</u>	<u>% Share holding</u>
1- 500	2612	82.97	4,92,552	9.85
501-1000	264	8.39	2,17,949	4.36
1001-2000	119	3.78	1,86,315	3.73
2001-3000	54	1.71	1,41,970	2.84
3001-4000	26	0.83	92,995	1.86
4001-5000	19	0.60	91,891	1.84
5001-10000	20	0.64	1,35,486	2.71
10001 and above	34	1.08	36,41,042	72.82
	<u>3148</u>	<u>100.00</u>	<u>50,00,200</u>	<u>100.00</u>

## 15. Categories of Shareholding as per Listing Clause 35, as on 31st March, 2008

<u>Category</u>	<u>No. of Shares Holders</u>	<u>% of Share Holders</u>	<u>No. of Shares Held</u>	<u>% Share Holding</u>
Indian Promoters	14	0.45	31,23,198	62.46
Corporate Bodies	125	3.97	1,66,875	3.34
NRIs/OCBs	29	0.92	79,253	1.58
Indian Public	2980	94.66	16,30,874	32.62
	<u>3148</u>	<u>100.00</u>	<u>50,00,200</u>	<u>100.00</u>

16. Dematerialisation of Shares and Liquidity : 94.92% equity shares of your company have been dematerialized as on 31st March, 2008. Trading in equity shares of your Company is permitted only in dematerialized form.
17. Plant Locations :
- i. Aluminium Wire Rod & Conductor : Survey No.1/2, Village Khutali, Khanvel-Doodhani Road, Near Khanvel, Dist.; Silvassa - 396230 Dadra & Nagar Haveli (Union Territory).
- ii. Wind Turbine Generators : i) Gut No.59-1/A, Village; Akhtwade, Dist.; Nandurbar (Maharashtra)  
ii) Location No. 275, Survey No.818 of Village Narasewadi, Taluka; Tasgaon, Dist.; Sangli. (Maharashtra)
- iii. Minerals Division : 5, Aishwara Residency  
G.E.Road, Telebandha,  
Raipur-492001 (Chattisgarh)
18. Investor correspondence : For shares held in physical form  
Computronics Financial Services (India) Ltd.  
1, Mittal Chambers, Nariman Point,  
Mumbai - 400021  
email: jchaudhary@computronicsindia.com
- For shares held in demat form  
Your Depository Participant (DP)
- Any other queries  
Hind Aluminium Industries Ltd..  
B-1, Tulsi Vihar, Dr.A.B.Road, Worli Naka,  
Mumbai - 400 018.  
email : hind@associatedgroup.com

**Declaration**

As provided under Clause 49 of Listing Agreement with the Bombay Stock Exchange Ltd., the Board Members have confirmed compliance with the Code of Conduct for the year ended 31st March, 2008.

For Hind Aluminium Industries Ltd.

**Shallesh Daga**  
Managing Director

Place : Mumbai  
Date : 30th June, 2008

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**CEO CERTIFICATE**

**The Board of Directors**  
**Hind Aluminium Industries Ltd.**  
**Mumbai**

We, to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements, read with the cash flow statement of Hind Aluminium Industries Ltd. (The Company) for the year ended 31st March, 2008;  
(i) these statement do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statement made;  
(ii) these statements and other financial information included in this Report present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
2. There are no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of Conduct;
3. The Company's other certifying officers and we, are responsible for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
4. The Company's other certifying officers and we, have disclosed based on our recent evaluation, wherever applicable, to the Company's Auditors and Audit Committee of the Company's board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
  - a) Significant changes in the Company's internal control over financial reporting during the year;
  - b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - c) That to the best of our knowledge, no fraud, whether or not material, that involves management over financial reporting existed during the report under review.

For Hind Aluminium Industries Ltd.

**Shallesh Daga**  
Managing Director

Place : Mumbai  
Date : 30th June, 2008

**Auditor's Certificate on Corporate Governance**

To the members of Hind Aluminium Industries Ltd.

We have examined the compliances of the conditions of corporate governance by Hind Aluminium Industries Ltd. for the year ended 31st March, 2008 as stipulated in Clause 49 of the Listing Agreement of the Bombay Stock Exchange Ltd.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance with conditions of the certificate of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of the opinion of the financial statement of the Company.

In our opinion and to the best of our information and according to explanations given to us and the representations made by the Directors and management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that while the shareholders/ investors grievance committee has not maintained record to show the investors grievances pending for a period of one month against the Company. The Registrar and Share Transfer Agent of the Company have maintained the records of investors grievance and certified that as at 31st March, 2008, there was no investor grievance remaining unattended/ pending for more than 30 days.

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

**For A.J.Baliya & Associates**  
Chartered Accountants

Place : Mumbai  
Dated : 30th June, 2008

**CA. M.P. Mody**  
(Partner)

## Managements' Discussion and Analysis

### Industry sector and development

The year 2007-08 has been a mixed year for the Indian aluminium industry. During the year prices of aluminium had fallen substantially and recovered only partly in the last three months of the financial year. Overall, however there was positive growth in the aluminium industry as a whole. The consumption of aluminium is slated to grow at a healthy pace in the coming years. The electrical sector will be one of the major consumers of aluminium. Your Company is involved in the manufacture of aluminium rods as well as conductors which are used largely in the electrical sector and with continuous growth and investments in the aluminium sector the company should have good demand for its product.

### Opportunities

The power sector which had undergone turbulent times in the past has started looking up due to major initiatives by the successive Governments both at state and central level. This augurs well for people engaged in the manufacture of electrical rods and conductors which are used in the transmission and distribution of electricity. Also Government of India's ambitious mission of power for all by 2012 will help the Company as it would mean electrification of all the villages in the country. Privatization of distribution networks will also help generate demand for cables and conductors.

In the mining sector other minerals are also being actively sourced by the Company. Presently your Company is involved in Bauxite as well as Iron Ore and this will be a major area of business in the coming years.

### Major threats

As always threats remain in the form of allocation of government funds to the power sector. Most of the conductors are used by schemes funded by the Government and if there is a reduction in allocation of funds for these schemes, there could be a reduction in the demand for products being made by the Company.

Mining sector also faces threat in the form of duties being revised which may make export of Ore costly from India.

### Segment-wise performance

The Wire Rod division this year reported a reduction in the sales from Rs.193.26 Crores to Rs.177.93 Crores. This is primarily on account of reduction in the value of metals. Also in the year 2007-08 there has been a reduction in the projects executed by the Government in the electrical sector which in turn affected the demand for Wire Rods. The profit before tax figure also reduced from Rs.7.59 Crores to Rs.4.20 Crores. This is again mainly on account of stock losses because of reduction of metal prices and also because of reduced realization on account of less demand.

In the mining division the total turnover increased from Rs.7.97 Crores to Rs.24.08 Crores and profit before tax from Rs.1.79 Crores to Rs.3.35 Crores. The company also started dealing in Iron Ore which has been the major contributor to the increased sales as well as profit.

The company had installed a Wind Turbine Generator of 1.50 MW in March, 2007. The same has been working well in the current year and the combined unit generated by the two Wind Turbine Generators of the company in the financial year was 49,20,084.96 units. The total billing for the same was Rs.1.75 crores.

### Outlook

It will remain positive as the Government is committed to initiating reforms in the electrical sector and providing electricity to all.

In the mining sector the Company hopes to expand its area of operations and is even thinking of starting to deal in more minerals.

### Risk and concern

The volatility in the prices of metals particularly aluminium will always be an area of concern. Also recent actions by the government in imposing certain taxes on export of Ore may make the export more costly and hence affect the volumes.

### Internal control system and their adequacy

The Company this year has renewed its ISO certification. The Conductor Division of the company which was commissioned this year was also accredited with ISO. The Company has adequate systems to monitor its targets and control its expenditure. If there are any major changes in any of the figures the same get highlighted and necessary corrective action is taken.

### Performance

In the current year profit before tax is reduced. This has been mainly on account of stock losses because of reduction in price of aluminium over the year. The company is however hopeful that in the next financial year the results will be better.

### Development in human resource / Industrial relations

The company places high importance on the development of its human resources. It imparts regular training to its employees to make them more focused to adapt to the constant change in the business environment. Industrial relation in both the units was satisfactory.

**AUDITORS' REPORT****To the Members of HIND ALUMINIUM INDUSTRIES LTD.**

We have audited the attached Balance Sheet of Hind Aluminium Industries Limited as at March 31, 2008 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order to extent applicable.
3. Further to our comments in the annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books of accounts;
  - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representation received from the directors as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2008 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 st March, 2008;
    - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and
    - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For A.J. Ballya & Associates.,**  
Chartered Accountants

**(CA. M. P. MODY)**

Partner

Membership No.FCA 42975

Place: Mumbai

Dated: 30<sup>th</sup> June, 2008.

**ANNEXURE TO AUDITORS' REPORT**

[Referred to in paragraph 2 of our report of even date]

- (1) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.  
  
(b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.  
  
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (2) In respect of its inventories:  
  
(a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (3) The Company has neither granted nor taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained Under Section 301 of the Companies Act, 1956.
- (4) In our opinion and according to the information and explanations given to us, there exist adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal control.
- (5) (a) In our opinion and according to the information and explanations given to us, the contracts and arrangements that need to be entered in the register maintained under Section 301 of the Companies Act 1956, have been entered in the said register.  
  
(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act 1956, and exceeding the value of Rupees five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (6) The Company has not accepted any deposits from the public
- (7) In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- (8) The Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 in respect of the any products of the Company.
- (9) In respect of statutory dues :  
  
(a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, Service Tax and other material statutory dues have been regularly deposited with



the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2008 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, except income tax there are no dues in respect of Sales-Tax, Custom Duty, Wealth-Tax, Excise Duty, Service Tax or Cess outstanding on account of any dispute. The details of dues of Income Tax which have not been deposited on account of any dispute are given below :

Particulars	Financial years to Which the matters pertains	Forum where dispute is pending	Amount Rs.
Income Tax	2005-06	Commissioner (Appeals)	25,54,784/-

- (10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (11) According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank
- (12) In our opinion and according and explanation given to us no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The Company is not a chit fund or a nidhi/mutual benefit fund/society.
- (14) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (15) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from banks and financial institutions.
- (16) To the best of our knowledge and belief and according to the information and explanation given to us, in our opinion, term loans availed by the company were, prima facie, applied by the company during the year for the purposes for which the loans were obtained, other than amount temporary deployed pending utilization of the funds for the intended use.
- (17) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (18) The Company has not made any preferential allotment of shares during the year.
- (19) The Company has not issued any debentures during the year.
- (20) The Company has not raised any money by public issue during the year.
- (21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For A. J. Ballya & Associates**  
Chartered Accountants

**(CA. M.P. MODY)**  
Partner.

Place : Mumbai  
Dated : 30<sup>th</sup> June, 2008.

Membership No.FCA 42975

HIND ALUMINIUM INDUSTRIES LTD.

BALANCE SHEET AS AT 31ST MARCH, 2008

<u>SCHEDULE</u>		2007 - 2008	(Rs.)	2006 - 2007
<b>SOURCES OF FUNDS</b>				
<b>SHAREHOLDERS' FUND</b>				
Share Capital	A	50,002,000	50,002,000	
Reserves & Surplus	B	239,862,531	206,269,319	
		289,864,531		256,271,319
<b>LOAN FUNDS</b>				
Secured Loans	C	131,208,288	91,335,376	
Unsecured Loans		44,521,791	1,121,767	
		175,730,079		92,457,143
<b>DEFERRED TAX LIABILITIES (NET)</b>		46,705,876		30,652,340
<b>TOTAL</b>		<b>512,300,486</b>		<b>379,380,802</b>
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>				
Gross Block	D	314,256,064	235,710,176	
Less: Depreciation		67,782,772	46,559,485	
<b>NET BLOCK</b>		246,473,292		189,150,691
<b>INVESTMENTS</b>				
	E	2,630,645		11,018,507
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
Inventories	F	42,045,533	42,970,474	
Sundry Debtors		217,697,014	247,925,650	
Cash & Bank Balances		68,348,638	98,770,646	
Loans & Advances		111,284,882	63,021,051	
		439,376,067	452,687,821	
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>				
Liabilities	G	167,404,543	271,721,222	
Provisions		8,774,976	1,754,995	
		176,179,519	273,476,217	
<b>NET CURRENT ASSETS</b>		263,196,549		179,211,604
<b>TOTAL</b>		<b>512,300,486</b>		<b>379,380,802</b>
<b>NOTES ON ACCOUNTS</b>				

As per our report of even date  
For A.J. Baliya & Associates  
Chartered Accountants

(CA. M.P. Mody)  
Partner

Place : Mumbai  
Dated : 30th June'2008

For & on behalf of the Board

Lalit Kumar Daga Chairman

Shallesh Daga Managing Director

CA. Sudhir Goel Director

## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

SCHEDULE	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
<b>INCOME</b>		
Sales:		
Local:	1,825,345,572	1,988,376,480
Export:	212,278,966	-
Conversion Charges Received	23,697,193	31,407,867
Other Income	H 3,623,595	5,079,532
<b>TOTAL</b>	<b>2,064,945,326</b>	<b>2,024,863,879</b>
<b>EXPENDITURE</b>		
Materials Cost	I 1,886,921,123	1,838,808,062
Manufacturing Expenses	J 48,402,656	50,195,811
Employees' Remuneration	K 6,805,233	4,958,634
Administrative Expenses	L 13,952,594	15,160,164
Selling & Distribution Expenses	M 10,294,732	10,188,664
Depreciation	D 21,225,192	11,235,603
Interest	11,222,072	3,809,086
<b>TOTAL</b>	<b>1,998,823,602</b>	<b>1,934,356,024</b>
<b>PROFIT BEFORE TAX</b>	66,121,724	90,507,855
<b>Provision for Taxation</b>		
Current Tax	7,500,000	11,800,000
Fringe Benefit Tax	200,000	200,000
Deferred Tax (Net)	16,053,536	19,479,745
<b>PROFIT AFTER TAX</b>	42,368,188	59,028,110
Less : Prior years Tax adjustment	-	57,378
	42,368,188	58,970,732
Balance brought forward	196,812,114	148,938,151
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>239,180,302</b>	<b>207,908,883</b>
<b>APPROPRIATION</b>		
Proposed Dividend	7,500,300	1,500,060
Interim Dividend	-	6,000,240
Tax on Dividend	1,274,676	1,096,469
General Reserve	2,500,000	2,500,000
Balance Carried to Balance Sheet	227,905,326	196,812,114
	<b>239,180,302</b>	<b>207,908,883</b>
<b>NOTES ON ACCOUNTS</b>	<b>N</b>	

As per our report of even date  
**For A.J. Baliya & Associates**  
Chartered Accountants

(CA. M.P. Mody)  
Partner

Place : Mumbai  
Dated : 30th June'2008

For & on behalf of the Board

**Lalit Kumar Daga** Chairman

**Shallesh Daga** Managing Director

**CA. Sudhir Goel** Director

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
<b>SCHEDULE : A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
55,00,000 Equity Shares of Rs.10/- each	55,000,000	55,000,000
<b>Issued, Subscribed &amp; Paid up:</b>		
50,00,200 Equity Shares of Rs.10/- each fully paid up (Out of above 3,52,620 Equity shares of Rs.10/- each were issued as fully paid up Bonus Shares by capitalisation of balance in Profit & Loss Account & General Reserves)	50,002,000	50,002,000
	<b>50,002,000</b>	<b>50,002,000</b>
<b>SCHEDULE : B</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve	9,117,115	6,617,115
Add : Transferred from Profit & Loss Account	2,500,000	2,500,000
	11,617,115	9,117,115
Capital Reserve	340,090	340,090
Balance in Profit & Loss Account	227,905,326	196,812,114
	<b>239,862,531</b>	<b>206,269,319</b>
<b>SCHEDULE : C</b>		
<b>SECURED LOANS</b>		
a) Cash Credit from State Bank of India, Vapi (Secured by hypothecation of raw materials, stock-in-process, finished stock, book debts fixed assets and personal guarantees of Directors)	5,842,124	54,735,376
b) Kotak Mahindra Prime Ltd. (Secured by hypothecation of a Motor Car)	952,355	-
c)FCNB (C&I) USD Term Loan from State Bank of India, Vapi (Secured by hypothecation of raw materials, stock-in-process, finished stock, fixed assets and personal guarantees of Directors)	52,749,543	-
d)Term Loan from State Bank of India, Vapi (Secured by hypothecation of raw materials, stock-in-process, finished stock, fixed assets and personal guarantees of Directors)	71,664,266	36,600,000
	<b>131,208,288</b>	<b>91,335,376</b>
<b>UNSECURED LOANS</b>		
ICICI Bank Ltd.	44,521,791	1,121,767

**SCHEDULE : D**

**FIXED ASSETS**

Particulars	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	as at 01.04.2007	Adjustments/ (Deductions)	Additions	as at 31.03.2008	up-to 31.03.2007	for the year	Adjustments/ (Deductions)	up-to 31.03.2008	as at 31.03.2008	as at 31.03.2007
Land & Site	5,996,490	-	1,203,810	7,200,300	-	-	-	-	7,200,300	5,996,490
Development	16,011,176	-	20,438,254	36,449,430	5,328,936	800,991	-	6,129,927	30,319,503	10,682,240
Factory Building	3,885,530	-	-	3,885,530	536,103	52,564	-	590,667	3,294,863	3,347,427
Residential Flat	38,054,824	-	59,993,831	98,048,655	28,693,358	3,814,674	-	32,508,032	65,540,623	8,361,466
Plant & Machinery	150,077,373	-	119,000	150,196,373	6,586,962	15,560,515	-	22,147,477	128,048,896	143,490,411
Wind Turbine Generator	2,183,995	-	5,100,456	7,284,451	1,026,191	214,315	-	1,240,506	6,043,945	1,157,804
Electrical Installations	1,373,474	(21,466)	217,336	1,569,344	773,244	68,261	(1,905)	839,600	729,744	600,230
Furniture & Fixtures	1,930,844	-	303,550	2,234,394	1,564,089	182,536	-	1,746,625	487,769	366,755
Computers	1,108,772	-	97,504	1,206,276	333,268	55,904	-	389,172	817,104	775,504
Office Equipments	4,935,861	-	1,245,450	6,181,311	1,715,334	475,432	-	2,190,766	3,990,545	3,220,527
Vehicles	10,151,837	(10,151,837)	-	-	-	-	-	-	-	10,151,837
Capital WIP (Building & Plant under erection Including advances for capital expenditure Rs. 59,36,885/-)										
<b>Total Rs.</b>	<b>235,710,176</b>	<b>(10,173,303)</b>	<b>88,719,191</b>	<b>314,256,064</b>	<b>46,559,485</b>	<b>21,225,192</b>	<b>(1,905)</b>	<b>67,782,772</b>	<b>246,473,292</b>	<b>189,150,691</b>
Previous Year	128,214,914	-	109,495,262	235,710,176	35,323,882	11,235,603	-	46,559,485	189,150,691	

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
<b>SCHEDULE : E</b>		
<b>INVESTMENTS (AT COST - NON TRADE)</b>		
<b>Unquoted :</b>		
National Saving Certificate Vith Issue	5,703	5,703
70 Equity Shares of Rs. 100/- each fully paid up of Dynavent Air System Pvt. Ltd.	371,000	371,000
45,000 Equity Shares of Rs.10/- each fully paid up of Associated Aluminium Industries Pvt. Ltd.	450,000	450,000
500 Equity Shares of Dnyaneshwar Hybreed Seeds Co. (P) Ltd.	684,020	675,000
(A)	<u>1,510,723</u>	<u>1,501,703</u>
<b>Quoted :</b>		
HDFC Liquid Fund (51237.447 Units-Previous Year-869832.440 Units)	529,286	8,949,363
Birla Cash Plus (35533.411 Units-Previous Year-33475.920 Units)	427,091	403,896
121 Equity Shares of Rs.10/- each fully paid up of Grasim Industries Ltd.	163,545	163,545
(B)	<u>1,119,922</u>	<u>9,516,804</u>
(A)+(B)	<u>2,630,645</u>	<u>11,018,507</u>
<b>Aggregate Market Value of Quoted Investments</b>	<u>1,267,916</u>	<u>9,606,300</u>
<b>SCHEDULE : F</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>INVENTORIES :</b>		
(As per inventories taken, valued & certified by the Managing Director)		
Raw Materials	158,566	23,184,940
Semi-Finished Goods	26,263,148	142,673
Finished Goods	10,172,800	15,844,322
Stores & Spares	5,451,019	3,798,539
	<u>42,045,533</u>	<u>42,970,474</u>
<b>SUNDRY DEBTORS :</b>		
(Unsecured, considered good)		
Outstanding for more than six months	4,750,222	3,294,265
Others	168,075,848	165,412,306
Debts due from Companies under the Same Management or in which director is a director or member :		
Associated Aluminium Industries Pvt. Ltd.-Unit-II (Outstanding less than six months)	44,870,944	79,219,079
	<u>217,697,014</u>	<u>247,925,650</u>

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008

	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
<b>CASH &amp; BANK BALANCES</b>		
Cash on hand	273,147	442,169
Balance with Scheduled bank in Current Account	54,398,178	1,859,983
Fixed Deposit Accounts (for Lcs, Bank guarantees & others)	13,677,313	96,468,494
	<u>68,348,638</u>	<u>98,770,646</u>
<b>LOANS &amp; ADVANCES</b>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be recd	55,585,775	3,397,864
VAT receivable	32,457,349	45,478,939
Deposits	18,025,954	15,134,384
Taxes less Provisions	5,215,804	(990,136)
	<u>111,284,882</u>	<u>63,021,051</u>
<b>SCHEDULE : G</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors	161,493,170	252,232,255
Unclaimed Dividend	623,985	764,588
Other Liabilities	5,287,388	18,724,379
	<u>167,404,543</u>	<u>271,721,222</u>
<b>PROVISIONS :</b>		
Proposed Dividend	7,500,300	1,500,060
Tax on Dividend	1,274,676	254,935
	<u>8,774,976</u>	<u>1,754,995</u>

## SCHEDULES FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
--	----------------------	----------------------

**SCHEDULE : H****OTHER INCOME**

Rent (T.D.S. Rs.81,576/-Previous Year Rs.80,784/-)	360,000	368,100
Dividend	356,003	445,637
Interest & L/C Discounting (Net) (TDS Rs. 37,35,668/- Previous Year-Rs.24,36,044/-)	2,889,026	4,250,770
Miscellaneous Income	18,566	15,025
	<u>3,623,595</u>	<u>5,079,532</u>

**SCHEDULE : I****MATERIALS COST**

## Raw Materials Consumption :

Opening stock	23,184,940	62,332,110
Add: Purchases	1,573,531,906	1,564,020,402
	<u>1,596,716,846</u>	<u>1,626,352,512</u>
Less: Closing Stock	158,566	23,184,940
	1,596,558,280	1,603,167,572
Purchases for Trading	310,811,796	227,555,920
Inventory Adjustments :		
Opening Stock:		
Semi-Finished Goods	142,673	5,066,712
Finished Goods	15,844,322	19,004,853
	<u>15,986,995</u>	<u>24,071,565</u>
Less : Closing Stock:		
Semi-Finished Goods	26,263,148	142,673
Finished Goods	10,172,800	15,844,322
	<u>36,435,948</u>	<u>15,986,995</u>
	(20,448,953)	8,084,570
	<u>1,886,921,123</u>	<u>1,838,808,062</u>

**SCHEDULE - J****MANUFACTURING EXPENSES**

Stores & Spares	10,856,610	11,310,598
Furnace Oil	25,456,823	26,254,673
Excise Duty	-	315,000
Transportation Charges	3,290,763	2,320,578
Power & Fuel	6,688,498	5,162,814
<u>Repairs &amp; Maintenance:</u>		
Plant & Machinery	615,818	2,898,044
Factory Building	164,549	991,470
Electricals Installations	286,585	78,531
Computers	108,570	97,573
Others	238,600	220,414
	<u>1,414,122</u>	<u>4,286,032</u>
Watch & Ward Expenses	695,840	546,116
	<u>48,402,656</u>	<u>50,195,811</u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
<b>SCHEDULE : K</b>		
<b>EMPLOYEES' REMUNERATION</b>		
Salary, Wages, Bonus & Allowances	5,953,664	4,347,120
Gratuity	262,056	112,266
Staff Welfare Expenses	589,513	499,248
	<u>6,805,233</u>	<u>4,958,634</u>
<b>SCHEDULE : L</b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Travelling & Conveyance	2,580,998	1,251,474
Managing Director's Remuneration *	420,000	330,000
Printing & Stationery	380,880	261,600
Telephone & Postage	980,016	1,008,346
Legal & Professional Fees	1,910,894	563,484
Vehicles & Maintenance	618,642	642,705
Rent, Rates & Taxes	1,537,939	1,369,866
Sitting Fees	60,600	35,750
Membership & Subscription	171,216	62,591
Insurance	1,152,982	1,646,494
<u>Auditors' Remuneration</u>		
Audit Fees	61,732	61,732
In Other Capacity:		
Tax Audit	16,836	78,568
	<u>16,836</u>	<u>78,568</u>
Miscellaneous Expenses	3,534,003	4,309,286
Donation	525,856	3,600,000
	<u>13,952,594</u>	<u>15,160,164</u>

\*Certain perquisites not availed by Managing Director.

**SCHEDULE : M****SELLING & DISTRIBUTION EXPENSES**

Brokerage, Commission & Sales Promotion	5,432,994	6,156,933
Transportation	4,861,738	4,031,731
	<u>10,294,732</u>	<u>10,188,664</u>

**SCHEDULE : N****NOTES ON ACCOUNTS :****1. SIGNIFICANT ACCOUNTING POLICIES****i) Basis of Accounting :**

All financial items of Income and Expenditure having a material bearing on the financial statement are recognised on accrual basis, except Income by way of dividend, and Expense by way of leave encashment which is accounted on cash basis.

**ii) Sales :**

Sales exclude Sales Tax, Transportation, Insurance and include sale of Scraps and Excise Duty but net of Sales Returns and Discount.

**iii) Fixed Assets:**

(i) All fixed assets are valued at cost less depreciation. The cost is inclusive of incidental expenses related to acquisition and put to use. Pre-operative expenses including trial run expenses (net of revenue) are capitalised. Interest on borrowings and financing costs during the period of construction is added to cost of fixed assets.

(ii) Impairment loss, if any is recognised in the year in which impairment takes place.

**iv) Depreciation :**

Depreciation on Fixed Assets is provided on Straight Line Method at the rate and in the manner specified in Schedule XIV of the Companies Act, 1956.

**v) Retirement Benefits :**

Gratuity liability is accounted as per the actuarial contribution demanded by Life Insurance Corporation of India.



vi) **Inventories:**

Inventories are valued at lower of cost or net realisable value.

vii) **Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.

viii) **Transaction in Foreign Currency**

Transaction in foreign currency are recorded at the rate of exchange in force on the respective date of such / contracted rates Exchange difference on repayment/conversion/translation are adjusted to

(i) Carrying cost of fixed assets, if foreign currency liability relates to fixed assets.

(ii) the Profit & Loss account in other cases.

2. National Saving Certificate VI issue is deposited with Sales Tax Office at Daman (U.T.) as security for registration. The same is not encashed even after maturity.
3. Miscellaneous Expenses shown in Schedule - 'L' for Administrative Expenses includes Miscellaneous balances written off less written back of Rs. NIL (Previous Year-Rs.24,43,477/-)
4. There was no amount due to Small Scale undertaking exceeding Rs.1 lac each outstanding for more than 30 days at the close of the year. This disclosure is based on the document/information available to the company regarding their status of the small scale undertaking.

5. **Licensed Capacity, Installed Capacity and Actual Production :**

		<b>2007-2008</b>	<b>2006-2007</b>
a) Licensed Capacity			
Wire Rod Plant		N. A.	N. A.
Wind Turbine Generator		N. A.	N. A.
b) Installed Capacity			
Wire Rod Plant		25,000 M. T.	25,000 M. T.
Conductors		12000 M.T.	-
Wind Turbine Generator		<b>2750 KW</b>	2750 KW
c) * Actual Production :			
Wire Rod	M.T.	11,576.891	10,826.245
Conductors	M.T.	33.217	-
Conversion of Others' Materials			-
Wire Rod	M.T.	6,888.243	9,379.117
Conductors	M.T.	75.585	-
		<b>18,573.936</b>	<b>20,205.362</b>
d) Wind Turbine Generator	KWH	4,920,084.96	2,138,576.80

\* As certified by Managing Director.

6. **\* Raw Material Consumed :**

Items	% of total consumption	M. T.	2007-2008		M. T.	2006-2007	
			Rs.	% of total consumption		Rs.	Rs.
<b>Indigenous</b>							
Alloy Rod/Wire	1.39	163.973	23,754,577	-	-	-	-
Aluminium Ingots	98.61	11,657,751	1,572,803,703	96.44	10,536,522	1,553,326,575	-
Sub-Total	100.00	11,821,724	1,596,558,280	96.44	10,536,522	1,553,326,575	-
<b>Imported</b>							
Aluminium Ingot/Scrap	-	-	-	3.56	389,368	49,840,997	-
<b>Total</b>	<b>100.00</b>	<b>11,821,724</b>	<b>1,596,558,280</b>	<b>100.00</b>	<b>10,925,890</b>	<b>1,603,167,572</b>	<b>-</b>

\* As certified by Managing Director.

7. **Stores & Spares Consumed (Indigenous) :**

	<b>2007-2008</b>	<b>2006-2007</b>
	Rs.	Rs.
Stores & Spares	10,856,610	11,310,598

HIND ALUMINIUM INDUSTRIES LTD.

8 Sales :		2007-2008			2006-2007		
Items	UNITS	QTY.	Rs.	UNITS	QTY.	Rs.	
Aluminium Wire Rods (net of return)	M. T.	11,472.975	1,641,550,372	M. T.	10,761.257	1,716,101,473	
Almn.Scrap/Ingots(Trading)	M. T.	732.470	77,398,485	M. T.	2,102.349	181,781,104	
Aluminium Wire	M. T.	7.774	1,141,683	-	-	-	
Aluminium Conductor	Kilometer	175.000	3,782,515	-	-	-	
Machinery	Nos.	13.000	15,221,134	-	-	-	
Sulphur	M. T.	3,650.000	37,438,750	-	-	-	
Iron Ore (Trading)	M. T.	49,900.000	212,278,966	-	-	-	
Bauxite (Trading)	M. T.	28,828.000	28,561,180	M. T.	83,215.000	79,709,615	
Power	KWH	4,920,084.96	17,511,439	KWH	2,138,576.800	7,468,848	
Others	M. T.	235.500	2,740,014	M. T.	295.000	3,315,440	
<b>Total (Rs.)</b>			<b>2,037,624,538</b>			<b>1,988,376,480</b>	

9 Purchases for Trading		2007-2008			2006-2007		
Items	UNITS	QTY.	Rs.	UNITS	QTY.	Rs.	
Aluminium Scrap/Ingot (Imported)	M. T.	732.470	60,912,372	M. T.	2,102.349	180,716,735	
Iron Ore	M. T.	49,884.190	183,295,780	M. T.	-	-	
Bauxite	M. T.	18,126.045	15,661,250	M. T.	66,263.330	46,839,185	
Sulphur	M. T.	3,650.000	36,876,720	M. T.	-	-	
Machinery	Nos.	13.000	14,065,674	-	-	-	
<b>Total (Rs.)</b>			<b>310,811,796</b>			<b>227,555,920</b>	

10 *Opening Stock		2007-2008			2006-2007		
	Units	Qty.	Rs.	Units	Qty.	Rs.	
Finished Goods :							
Aluminium Wire Rods	M. T.	42.893	6,605,522	M. T.	5.548	804,460	
Trading of Bauxite	M. T.	23,097.000	9,238,800	M. T.	40,048.670	18,200,393	
Stores & Consumables			3,798,539			3,398,289	
			<b>19,642,861</b>			<b>22,403,142</b>	
<b>* As certified by Managing Director</b>							

11 *Closing Stock		2007-2008			2006-2007		
	Units	Qty.	Rs.	Units	Qty.	Rs.	
Finished Goods :							
Aluminium Wire Rods	M. T.	26.718	4,158,657	M. T.	42.893	6,605,522	
Trading of Bauxite	M. T.	12,395.045	6,014,143	M. T.	23,097.000	9,238,800	
Stores & Consumables			5,451,021			3,798,539	
			<b>15,623,821</b>			<b>19,642,861</b>	
<b>* As certified by Managing Director</b>							

12 Expenditure in Foreign Currency :		2007-2008		2006-2007	
		Rs.		Rs.	
Travelling		245,500		65,250	

13 CIF Value of Imports :		2007-2008		2006-2007	
		Rs.		Rs.	
Sulphur		36,876,720		-	
Aluminium Scrap/Ingot		60,976,150		215,004,365	
		<b>97,852,870</b>		<b>215,004,365</b>	

**14 FOB Value of Exports :**

Iron Ore	212,259,692	-
<b>Earning Per Share</b>		
(Equity Shares Par Value Rs.10/- Each)	(In Rs.)	(In Rs.)
Basic	8.47	11.79
Diluted	8.47	11.79
<b>No. of Shares used for computing earning per share</b>	(In Nos.)	(In Nos.)
Basic	5,000,200	5,000,200
Diluted	5,000,200	5,000,200

**15 Primary Segment Information (by product segment)**

(Amt in Rs. Lacs)

	Aluminium Product		Minerals		Power		Unallocable		Total	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007
<b>Segment Revenue</b>										
Gross Turnover	17,792.73	19,326.06	2,408.40	797.10	175.11	74.69	-	-	20,376.24	20,197.85
Less: Intersegment Turnover	-	-	-	-	-	-	-	-	-	-
External Turnover	17,792.73	19,326.06	2,408.40	797.10	175.11	74.69	-	-	20,376.24	20,197.85
<b>Segment Result before</b>										
<b>Interest and Taxes</b>										
Interest and Taxes	409.62	716.87	335.33	179.14	(0.40)	4.65	-	-	744.55	900.66
Add: Interest Income (Net)	28.89	42.51	-	-	-	-	-	-	28.89	42.51
Less: Interest Expenses	18.23	-	-	-	93.99	38.09	-	-	112.22	38.09
Net Profit before Tax	420.28	759.38	335.33	179.14	(94.39)	(33.44)	-	-	661.22	905.08
Provision for Current Tax & FBT	-	-	-	-	-	-	77.00	120.00	77.00	120.00
Deferred Tax	-	-	-	-	-	-	160.54	194.80	160.54	194.80
Profit after Tax	420.28	759.38	335.33	179.14	(94.39)	(33.44)	-	-	423.68	590.28
<b>Other Informations</b>										
Segment Assets	5,349.67	4,919.74	139.76	133.75	1,336.97	1,477.33	58.40	(2.26)	6,884.80	6,528.56
Total Assets									6,884.80	6,528.56
Segment Liabilities	1,640.23	2,042.16	24.50	46.17	3.07	638.78	561.05	314.17	2,228.85	3,041.28
Total Liabilities									2,228.85	3,041.28
Capital Expenditure	789.87	188.02	14.62	1.53	1.19	905.41	-	-	785.67	1,094.96
Depreciation	55.65	46.98	1.00	0.55	155.61	64.83	-	-	212.25	112.38
Non-cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

Segment assets and segment liabilities represent assets and liabilities in respective segments. The assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**16 Related Party Disclosures****A) Associates**

Associated Aluminium Industries Pvt. Ltd.  
Nirav Commercials Ltd.  
Associated Non-Ferrous Metals Pvt Ltd.  
Daga Rubber Works Pvt. Ltd.  
Dynavent Air-Systems Pvt. Ltd.

**B) Key Managerial personnel**

Shailesh Daga Managing Director

## C) Transactions during the year with related parties

	(Amt in Rs Lacs)					
	Associates		Key Managerial Personnel		Total	
	As at 31 st March		As at 31 st March		As at 31 st March	
	2008	2007	2008	2007	2008	2007
<b>Investments, Sundry Debtors &amp; Loans &amp; Advances</b>	886.55	942.19	-	-	886.55	942.19
<b>Current Liabilities</b>	230.05	-	-	-	230.05	-
<b>Income</b>						
Sales	1,041.78	1,817.81	-	-	1,041.78	1,817.81
Rent	3.60	3.60	-	-	3.60	3.60
Conversion Charges	(6.72)	(2.02)	-	-	(6.72)	(2.02)
Dividend	2.70	2.70	-	-	2.70	2.70
Interest	1.31	0.37	-	-	1.31	0.37
<b>Expenses</b>						
Purchases	845.81	-	-	-	845.81	-
Rent	4.80	4.80	-	-	4.80	4.80
Interest	2.60	1.06	-	-	2.60	1.06
Directors Remuneration	-	-	4.20	3.30	4.20	3.30

## 17 Deferred Tax Liabilities(net)

		Deferred tax liability/asset as at 01/04/2007 Rs.	Deferred tax liability/asset as at 31/03/2008 Rs.
<b>Deferred tax liabilities</b>			
i) Depreciation	(A)	30,652,340	46,705,875
<b>Deferred tax assets</b>			
i) Gratuity Provision	(B)	-	-
<b>Deferred tax liability (net)</b>	(A) - (B)	<u>30,652,340</u>	<u>46,705,875</u>

Persuant to accounting standard (AS) 22- Accounting for taxes on income, the impact of Deferred Tax Liability (Net) for the year ended 31.03.2008 of Rs. 1,60,53,536/- has been debited to Profit & Loss Account.

18 Certain balances in respect of Unsecured Loans, Sundry Debtors, Sundry Creditors, and Loans & Advances- are subject to confirmation by respective parties.

19 Previous year figures have been rearranged/regrouped wherever necessary.

**20 Balance sheet Abstract and Company's General Profile :****I. Registration Details :**

Company Identification No. (CIN)	L28920MH1987PLC043472
State Code	011
Balance Sheet Date	31.03.2008

**II. Capital Raised during the Year :**

	<b>(Amount in Rs. Lacs)</b>
Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement (Promoters)	Nil

**III. Position of Mobilisation and Deployment of Funds :**

	<b>(Amount in Rs. Lacs)</b>
Total Liabilities	6,884.80
Total Assets	6,884.80

**Sources of Funds :**

Paid-up Capital	500.02
Reserves & Surplus	2,388.83
Secured Loans	1,312.08
Unsecured Loans	445.22
Deferred Tax Liabilities (Net)	487.06

**Application of Funds :**

Net Fixed Assets	2,484.73
Investments	26.31
Net Current Assets	2,631.97

**IV. Performance of the Company :**

	<b>(Amount in Rs. Lacs)</b>
Turnover (Gross Revenue)	20,849.45
Total Expenditure	19,988.24
Profit Before Tax	861.22
Profit After Tax	423.88
Earning per Share (Rs.)	8.47
Dividend Rate % (including interim dividend)	15

**V. Generic Terms of Three Principal Products/Services of Company (as per monetary terms) :**

Item Code No. (ITC Code)		
Product Description	Aluminium Wire Rod whether or not alloyed/ Bauxite/Iron Ore	76011040 ,76012040 260600

Signatories to Schedules from 'A' to 'N'

As per our report of even date  
**For A.J. Baliya & Associates**  
 Chartered Accountants

For &amp; on behalf of the Board

**Lalit Kumar Daga** Chairman**(CA. M.P. Mody)****Shallesh Daga** Managing Director

Partner

**CA. Sudhir Goel** Director

Place : Mumbai

Dated : 30th June'2008

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008**

	2007-2008 (RS.)	2006-2007 (RS.)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	66,121,724	90,507,855
<b>Adjustments For :</b>		
Depreciation	21,225,192	11,235,603
Interest & L.C. Discounting (Net)	(2,889,026)	(4,250,770)
Profit on Sale of Units	(1,451)	-
Dividend Income	(356,003)	(445,637)
	<u>17,978,712</u>	<u>6,539,196</u>
<b>Operating Profit Before Working Capital Changes</b>	<b>84,100,436</b>	<b>97,047,051</b>
<b>Adjustments For :</b>		
Trade and Other Receivables	(11,829,254)	(21,979,341)
Inventories	924,940	46,831,490
Trade Payables	(104,176,076)	53,404,663
	<u>(115,080,391)</u>	<u>78,256,812</u>
<b>Cash Generated From Operations</b>	<b>(30,979,955)</b>	<b>175,303,863</b>
Direct Taxes Paid	(13,905,940)	(8,204,820)
	<u>(13,905,940)</u>	<u>(8,204,820)</u>
<b>Cash Flow before Extraordinary Items</b>	<b>(44,885,895)</b>	<b>167,099,043</b>
Prior Year's Tax Adjustments	-	(57,378)
<b>Net Cash from Operating Activities A</b>	<b>(44,885,895)</b>	<b>167,041,665</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Fixed Assets	(78,546,342)	(109,495,262)
Sale/(Purchases) of Investment (including Dividend re-invested)	8,387,862	(8,673,217)
Dividend Received	356,003	445,637
<b>Net Cash used in Investing Activities B</b>	<b>(69,802,477)</b>	<b>(117,722,842)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Long Term Borrowings	83,272,936	38,170,904
Interest & L.C. Discounting (Net)	2,889,026	4,250,770
Dividend Paid	(1,640,663)	(11,718,816)
Tax on Dividend Paid	(254,935)	(1,625,690)
<b>Net Cash Used in Financing Activities C</b>	<b>84,266,364</b>	<b>29,077,168</b>
<b>Net Increase in Cash and Cash equivalents (A + B + C)</b>	<b>(30,422,008)</b>	<b>78,395,991</b>
<b>Cash and Cash equivalents as at 1st April, 2007 (Opening Balance)</b>	<b>98,770,646</b>	<b>20,374,655</b>
<b>Cash and Cash equivalents as at 31st March, 2008 (Closing Balance)</b>	<b>68,348,638</b>	<b>98,770,646</b>

For &amp; on behalf of the Board

Lalit Kumar Daga      Chairman  
Shallesh Daga        Managing Director  
CA. Sudhir Goel       Director

Place : Mumbai  
Dated : 30th June'2008

**AUDITOR'S CERTIFICATE**

To

**The Board of Directors****Hind Aluminium Industries Ltd., B-1, Tulsi Vihar, Dr. A. B. Road, Worli Naka, Mumbai - 400 018**

We have examined the attached Cash Flow Statement of Hind Aluminium Industries Ltd. for the year ended 31st March, 2008. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchange & is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

**For A.J. Ballya & Associates**  
Chartered Accountants

**(CA. M.P. Mody)**  
Partner

Place : Mumbai  
Dated : 30th June'2008

**ATTENDANCE SLIP****HIND ALUMINIUM INDUSTRIES LTD.**

**Regd. Off.:** B-1, Tulsi Vihar, Dr. Annie Besant Road, Worli Naka, Mumbai - 400 018.

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE**

Joint shareholders may use photocopy of this attendance slip

DP. Id\*

Regd. Folio No.

Client Id\*

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held:

I hereby record my presence at the **21st Annual General Meeting** of the Company held on Saturday, 30th August, 2008 at 11.00 a.m. at "Maheshwari Pragati Mandal - Mumbai" 1st Floor, Maheshwari Bhavan, 603, Jagannath Shankar Sheth Marg, Mumbai - 400 002.

**Signature of the shareholder or proxy holder**

Note : Shareholder/Proxy holder desiring to attend the meeting should bring this copy of the Annual report for reference at the Meeting.

\*Applicable for investors holding shares in electronic form.

Tear Here

Tear Here

**PROXY SLIP****HIND ALUMINIUM INDUSTRIES LTD.**

**Regd. Off.:** B-1, Tulsi Vihar, Dr. Annie Besant Road, Worli Naka, Mumbai - 400 018.

DP. Id\*

Regd. Folio No.

Client Id\*

I/We \_\_\_\_\_ of

\_\_\_\_\_ being a Member/Members of Hind Aluminium

Industries Ltd., hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ or failing him

\_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me / us and on my/our behalf at the 21st Annual General meeting to be held on 30th August, 2008 at 11.00 a.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

No. of Shares held \_\_\_\_\_ Signature \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

Note :- The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

Book - Post

*If Undelivered, Please return to :*

**HIND ALUMINIUM INDUSTRIES LTD.**

Regd. Off.: B-1, Tulsi Vihar, Dr. Annie Besant Road, Worli Naka, Mumbai - 400 018.