

# HISAR METAL INDUSTRIES LIMITED

Regd. Off & Works: Near Industrial Development Colony, Hisar-125005 (HRY)  
Phone: 01662-220067,220367,220738 Fax 01662-220265  
Email :info@hisarmetal.com, Web [www.hisarmetal.com](http://www.hisarmetal.com)  
CIN No: L74899HR1990PLC030937

August 18, 2020

Corporate Relationship Department  
Bombay Stock Exchange  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001  
Scrip Code: 590018  
(Category: Permitted for Trade)

Corporate Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No. C-1, G Block  
Bandra Kurla Complex, Bandra East  
Mumbai - 400051  
Scrip Code: HISARMETAL

**Sub: Regulation 34 - Annual Report for financial year 2019-20**

Dear Sir / Madam

We wish to intimate hereby that 30<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled to be held on Tuesday, September 29, 2020, at 9.00 A.M. at the Registered Office of the Company, Near Industrial Development Colony, Delhi Road, Hisar (Haryana)-125005.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2019-20. The Annual Report containing the Notice is also uploaded on the Company's website.

This is for your kind information and records.

Thanking You,

Yours faithfully,  
For Hisar Metal Industries Limited





(Vishesh Kumar Chugh)  
Company Secretary & Compliance Officer

**HISAR**

**METAL**

**THIRTIETH  
ANNUAL REPORT  
2019-20**

**HISAR METAL INDUSTRIES LTD.**

**CIN : L74899HR1990PLC030937**

**BOARD OF DIRECTORS**

Mr. M.P. Jindal (Chairman)  
Mr. Abhiram Tayal (Managing Director)  
Mr. Karan Dev Tayal (Whole-time Director)  
Mrs. Anubha Tayal  
Mr. Shital Parshad Jain  
Mr. Sajjan Singh  
Mr. Sharat Jain  
Mr. Anuj Kumar

**CHIEF FINANCIAL OFFICER**

Mr. R.S. Bansal

**GM (FINANCE) & COMPANY SECRETARY**

Mr. Vishesh Kumar Chugh

**STATUTORY AUDITORS**

Arun Naresh & Co.  
Chartered Accountants  
259, 2nd Floor, Aggarwal City Plaza  
Rohini, Sector-3, Delhi-85

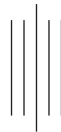
**BANKERS**

HDFC Bank

**REGISTERED & CORPORATE OFFICE**

Near I.D.C., Delhi Road  
Hisar-125 005  
Haryana

**CIN:** L74899HR1990PLC030937

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**NOTICE**

**Notice** is hereby given that the Thirtieth **Annual General Meeting (AGM)** of **Hisar Metal Industries Limited** will be held on Tuesday, **September 29, 2020 at 9:00 A.M.** at its Registered Office at **Near Industrial Development Colony, Delhi Road, Hisar-125 005, (Haryana)**, to transact the following businesses:

**Ordinary Business:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Re. 1/- per share as recommended by the Board of Directors.
3. To appoint a Director in place of Mr Karan Dev Tayal (DIN-00181214), who retires by rotation and being eligible, offers himself for re-appointment.

**Special Business:**

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED** that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 50,000 (Rupees fifty thousand only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses, to be paid to M/s Naveen Gupta & Co., Cost Accountants (Firm Registration No. 100920), Cost Auditors of the Company, for the financial year 2020-21 be and is hereby ratified.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED** that pursuant to the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Schedule V to the Act and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other approvals as may be necessary, consent of the Members of the Company be and is hereby accorded for the Re-appointment of Mr. Abhiram Tayal (DIN 00081453) as Managing Director of the Company for a period of three years with effect from February 14, 2020 to February 13, 2023 on the terms and conditions as specified herein-below, as follows:

- a) **Salary:** Rs. 125000-50000-225000 i.e. Rs. 1,25,000/- per month with yearly increase of Rs.50000/-.
- b) **Perquisites:** In addition to the salary Mr. Abhiram Tayal will be entitled to following perquisites during the currency of his tenure:
  - i. **Medical reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month’s salary in a year or three month’s salary over a period of three years.
  - ii. **Leave travel concession:** Leave travel concession for self and family once in a year not exceeding two month’s salary.
  - iii. **Club fees:** Fees of clubs subject to two clubs provided that no life membership or admission fees will be paid.

- iv. Telephone and other necessary communication facilities at the residence for Company's business shall be provided by the Company.
- v. Car facilities with driver for business purpose of the Company.
- vi. Contribution to provident fund and superannuation fund as per rules of the Company to the extent said amount is not taxable under the Income Tax Act, 1961.
- vii. Gratuity payable shall not exceed half- month's salary for each completed year of service.
- viii. Encashment of earned leave at the time of retirement/superannuation in accordance with the rules of the Company.

**RESOLVED FURTHER** that no sitting fees will be paid to Mr. Abhiram Tayal for attending meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER** that in the event of absence or inadequacy of profits in any financial year during the currency of the tenure of Mr. Abhiram Tayal as Managing Director of the Company aforesaid remuneration will be paid to him as minimum remuneration subject to the provisions of Schedule V of the Act and receipt of the requisite approvals, if any.

**RESOLVED FURTHER** that Mr. Abhiram Tayal shall perform such duties as shall be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

**RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED** that pursuant to the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Schedule V to the Act and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other approvals as may be necessary, consent of the Members of the Company be and is hereby accorded for the Re-appointment of Mr. Karan Dev Tayal (DIN 00181214) as Whole Time Director of the Company; being liable to retire by rotation; for a period of three years with effect from February 14, 2020 to February 13, 2023 on the terms and conditions as specified herein-below, as follows:

- c) **Salary:** Rs. 375000-50000-475000 i.e. Rs. 3,75,000/- per month with yearly increase of Rs.50000/-.
- d) **Perquisites:** In addition to the salary Mr. Karan Dev Tayal will be entitled to following perquisites during the currency of his tenure:
  - i) **Medical reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  - ii) **Leave travel concession:** Leave travel concession for self and family once in a year not exceeding two month's salary.
  - iii) **Club fees:** Fees of clubs subject to two clubs provided that no life membership or admission fees wFill be paid.
  - iv) Telephone and other necessary communication facilities at the residence for Company's business shall be provided by the Company.

- v) Car facilities with driver for business purpose of the Company.
- vi) Contribution to provident fund and superannuation fund as per rules of the Company to the extent said amount is not taxable under the Income Tax Act, 1961.
- vii) Gratuity payable shall not exceed half- month's salary for each completed year of service.
- viii) Encashment of earned leave at the time of retirement/superannuation in accordance with the rules of the Company.

**RESOLVED FURTHER** that no sitting fees will be paid to Mr. Karan Dev Tayal for attending meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER** that in the event of absence or inadequacy of profits in any financial year during the currency of the tenure of Mr. Karan Dev Tayal as Whole-time Director of the Company aforesaid remuneration will be paid to him as minimum remuneration subject to the provisions of Schedule V of the Act and receipt of the requisite approvals, if any.

**RESOLVED FURTHER** that Mr. Karan Dev Tayal shall perform such duties as shall be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

**RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Hisar, August 12, 2020**  
**Registered Office:**  
Near I.D.C., Delhi Road  
Hisar-125 005  
Haryana

**By the order of Board of Directors**  
**For Hisar Metal Industries Limited**

(Vishesh Kumar Chugh)  
**GM (Finance) & Company Secretary**

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**NOTES:**

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 so appointed need not be a member of the Company.**
2. The instrument appointing a proxy, duly completed, should be received not less than 48 hours before the commencement of the meeting at the registered office of the Company in order to make the proxies effective. A person appointed as proxy shall act on behalf of not more than fifty members and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.
5. Members can inspect proxies lodged with the Company during the period from 24 hours before the meeting to the conclusion of the meeting by giving notice, in writing, at-least three days in advance.
6. Members/proxies/authorised representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.

7. The register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
8. The register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA/Company, for consolidation into a single folio.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The statement as per Section 102(1) of the Companies Act, 2013 with respect to the special businesses in this Notice is annexed herein-below.
12. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22 The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
13. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2020 to September 29, 2020 (both days inclusive) for the purpose of payment of the dividend for the financial year ended March 31, 2020 and for the AGM.
14. Subject to the provisions of the Companies Act, 2013 dividend of 10% (Re. 1/- per share) for the financial year ended on March 31, 2020 as recommended by the Board, if declared at the meeting, will be paid within 30 days from the date of declaration, to those members whose names appear on the Company's Register of Members/List of Beneficiaries as on September 18, 2020.
15. All documents referred to in the Notice will be available for inspection at the Registered Office of the Company during business hours on working days up to the date of the AGM.
16. Pursuant to Section 124 of the Companies Act, 2013 any amount of dividend that remains unpaid / unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, is required to be transferred to the Investor Education and Protection Fund of the Central Government (IEPF). The Company has transferred the amount of dividends declared up to financial years 2011-12 from time to time, to the IEPF. The Company has uploaded, the details of unpaid and unclaimed amounts from the financial year 2012-13 to 2018-19 lying with the Company, on the website of the Company (<http://www.hisarmetal.com>). Members are requested to write to the Company Secretary to claim unpaid dividend.
17. Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all shares of the Company in respect of which dividend remain unpaid or unclaimed for consecutive period of seven years or more shall be transferred to the IEPF Authority after complying with the procedure laid down under the Rules. During the last year 4800 shares have been transferred to IEPF authority. The details are available on the website of the Company (<http://www.hisarmetal.com>)

18. Members holding shares in dematerialized form are requested to update the details pertaining to their shareholding such as change of address/name, bank details, ECS mandate, nominations, power of attorney etc. with their Depository Participants. However the members who hold shares in physical form may write to the Company Secretary or RTA at M/s. Skyline Financial Services Pvt. Ltd., D-153 A, Ist Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020, Tel.: +91 (11) 64732681 to 88, Fax: +91 (11) 26812682, Email: [admin@skylinerta.com](mailto:admin@skylinerta.com)
19. The Securities and Exchange Board of India ('SEBI') has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from 1st April, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from 1st April,2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.
20. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
21. The Notice of the AGM alongwith the Annual Report 2019-20 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Notice of the AGM alongwith the Annual Report 2019-20 will also be available on the Company's website: <http://www.hisarmetal.com>.
22. Instructions and other information relating to remote e-voting are as under:
  - I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
  - II. The facility for voting through ballot paper system shall also be made available at the venue of the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through above voting system.
  - III. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
  - IV. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility.
  - V. The Board of Directors has appointed Mr. Sanjeev Jain, Practising Chartered Accountant (Membership No 500771), as Scrutinizer to scrutinise the remote e-voting and voting through ballot paper at the meeting in a fair and transparent manner.
  - VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 22, 2020 only shall be entitled to avail the facility of remote e-voting or voting by ballot paper at the meeting.



- VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2020.
- VIII. Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 22, 2020 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
- IX. The remote e-voting period commences on Saturday, September 26, 2020 (9:00 am) and ends on Monday, September 28, 2020 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 22, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- X. The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than two days of conclusion of the meeting, make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company <http://www.hisarmetal.com> and on the website of NSDL <https://evoting.nsdl.com>. The results shall simultaneously be communicated to the Stock Exchanges.
- XI. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e. September 29, 2020.
- XII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990.
- XIII. The process and manner for remote e-voting are as under:

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

- Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**
- Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client I  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
- 6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- 8. Now, you will have to click on “Login” button.
- 9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

- How to cast your vote electronically on NSDL e-Voting system?**
- 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  - 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
  - 3. Select “EVEN” of company for which you wish to cast your vote.
  - 4. Now you are ready for e-Voting as the Voting page opens.
  - 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  - 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
  - 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjeevacs@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

**Item: 4**

The Board of Directors (Board) in its meeting held on August 12, 2020 has appointed M/s. Naveen Gupta & Co., Cost Accountants, having Firm Registration no. 100920 with the Institute of Cost Accountants of India, as the Cost Auditors of the Company to audit the cost records of the Company for the financial year 2020-21 at a remuneration of Rs. 50,000 plus applicable taxes and reimbursement of actual travel and out of pocket expenses. The appointment and remuneration was made on the recommendation of Audit Committee of the Company. As per provisions of the Companies Act, 2013 the remuneration of Cost Auditor shall be ratified by the Members of the Company.

Accordingly, consent of the Members is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution set forth in Item No. 4.

**Item No. 5**

Mr. Abhiram Tayal, aged about 67 years, was inducted into the Board of Directors of the Company on July 21, 1990. He is a graduate from Panjab University, Chandigarh and has experience of over 42 years.

Mr. Abhiram Tayal is one of the two promoters of the Company. He has an extremely rich experience in the Steel industry. The Company has registered an incredible growth under his leadership.

The tenure of previous appointment of Mr. Abhiram Tayal, as Managing Director of the Company, was expired on February 13, 2020. Therefore the Board of Directors in its meeting held on February 11, 2020, on the recommendations of the Nomination & Remuneration Committee decided to recommend his re-appointment as

Managing Director of the Company for a period of three years from February 14, 2020 to February 13, 2023, to the shareholders of the Company in this Annual General Meeting on such remuneration as mentioned in the resolution. He does not chair or hold membership of committees of the Company and any other company.

Mr. Abhiram Tayal is Independent Director in M/s Jindal Saw Ltd and Hexa Tradex Ltd. Further he is a shareholder of the Company and holds 3,90,330 shares in the Company.

Nature of expertise in specific functional area: Technical and Operational Management

Except the following Directors none of the other Director and key managerial personnel of the Company or their relatives are concerned or interested in this resolution:

Sr. No.	Name	Description	Relation
1.	Mrs. Anubha Tayal	Non-executive Director	Wife
2.	Mr. Karan Dev Tayal	Whole Time Director	Son
3.	Ms. Dali Tayal	Shareholder holding 2.17% share capital of the Company	Brother's Wife
4.	Ms. Kanika Tayal	Shareholder holding 2.32% share capital of the Company	Daughter

The Board of Directors considers that in view of the background, experience and contribution to the Company of Mr. Abhiram Tayal, it would be in the interest of the Company to re-appoint him as a Managing Director of the Company. The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

The resolution read with explanatory statement should be considered as written memorandum, as required under the provisions of Section 190 of the Companies Act, 2013, setting out the terms of employment of Mr. Abhiram Tayal as Managing Director of the Company.

#### **Item No. 6**

Mr. Karan Dev Tayal aged about 40 years is a Software Engineer and was inducted into the Board of Directors of the Company on October 03, 2008. He has completed his M. Tech in Computer Science from New Jersey Institute of Technology and has experience of over 13 years.

The tenure of previous appointment of Mr. Karan Dev Tayal, as Whole Time Director of the Company, was expired on February 13, 2020. Therefore the Board of Directors in its meeting held on February 11, 2020, on the recommendations of the Nomination & Remuneration Committee decided to recommend his re-appointment as Whole Time Director of the Company for a period of three years from February 14, 2020 to February 13, 2023, to the shareholders of the Company in this Annual General Meeting on such remuneration as mentioned in the resolution. He does not chair or hold membership of committees of the Company and any other company.

Mr. Karan Dev Tayal is Director in M/s Ariansh Infotech Private Limited & Amtrex Trading Company Pvt. Ltd. and does not hold membership of any committees. Further he holds 28770 shares in the Company.

The Board of Directors considers that in view of the background, experience and contribution to the Company of Mr. Karan Dev Tayal, it would be in the interest of the Company to re-appoint him as a Whole Time Director of the Company. The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

Except the following none of the other Director/ Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested in this resolution:

Sr. No.	Name	Description	Relation
1.	Mrs. Anubha Tayal	Non-executive Director	Mother
2.	Mr. Abhiram Tayal	Managing Director	Father
3.	Ms. Kanika Tayal	Shareholder holding 2.32% share capital of the Company	Sister

The resolution read with explanatory statement should be considered as written memorandum, as required under the provisions of Section 190 of the Companies Act, 2013, setting out the terms of employment of Mr. Karan Dev Tayal as Whole-time Director of the Company.

**The statement containing additional information as required in schedule V of the Companies Act, 2013.**

**I. GENERAL INFORMATION:**

**1) Nature of Industry**

Steel: The Company is engaged in the Manufacture and sale of stainless steel strips, tubes and pipes etc.

**2) Date of commencement of commercial production**

N.A. since the Company has already commenced its business activities

**3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**

Not applicable

**4) Financial performance based on given indicators**

(Rs. In lakhs)

Particulars	2019-20	2018-19	2017-18
Total Income	17811.13	20877.57	23673.71
Profit before depreciation and tax	732.83	909.18	913.07
Depreciation	231.27	208.86	184.34
Profit before tax	501.56	700.32	728.73
Tax Expense	110.52	167.78	232.33
Profit after tax	391.04	532.54	496.40
Equity capital (face value Rs. 10/-)	540.00	540.00	540.00
Earnings per share (Rs.)	7.24	9.86	9.20

**5) Foreign investments or collaborators, if any:**

The Company did not have any foreign investment or collaboration.

**II. Information About Managing Director & Whole Time Director:**

**1) Background Details**

Mr. Abhiram Tayal	Mr. Karan Dev Tayal
Aged about 67 years, is a Graduate from Punjab University, Chandigarh, with wide and varied experience in business and the Steel Industry.	Aged about 40 years is a M. Tech (Computer Science) with wide and varied experience in the Information Technology and Steel Industry.

**2) Past Remuneration**

(Rs. In lakhs)

<b>Financial Year</b>	<b>Mr. Abhiram Tayal</b>	<b>Mr. Karan Dev Tayal</b>
2019-20	15.21	15.21
2018-19	15.21	15.21
2017-18	8.47	10.72
2016-17	6.22	NIL
2015-16	6.22	NIL

**3) Recognition or Awards**

Mr Abhiram Tayal and Mr Karan Dev Tayal are well recognized for their leadership, visionary, and entrepreneur skills in managing business activities and have been efficiently managing overall affairs of the Company.

**4) Job Profile and his Suitability**

Mr. Abhiram Tayal was inducted in 1990 as a member of the Board and become Managing Director of the Company with effect from February 14, 1995. He has an extremely rich experience in the steel industry. Mr. Abhiram Tayal is responsible for the overall conduct and management of business and affairs of the Company. This includes broad development of business; providing strategic direction to the two business units of the Company; review of product portfolio and continual introduction of new products; enhancement of manufacturing efficiencies and rationalization of costs. The Company has registered an incredible growth under his leadership.

Mr. Karan Dev Tayal was inducted on October 03, 2008 as a member of the Board. He has worked with Citi Group as AVP- Future and Options for a period of over 5 years and thereafter set-up his own Company M/s Ariansh Infotech Private Limited, which provides IT solutions. His vast experience in business and interest in technology has guided the Organization in automation of various processes involved in the operations.

Considering the role and the important contributions made by Mr. Abhiram Tayal and Mr. Karan Dev Tayal over the period of time in varied capacities for the growth of the Company, the Board of Directors considers that the remuneration proposed to them are justified commensurate with other organisations of the similar type, size and nature in the steel industry.

**5) Remuneration Proposed:**

The remuneration proposed is detailed in the resolution.

**6) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.**

Apart from their remuneration in the capacity of Managing Director and Whole-time Director, Mr. Abhiram Tayal and Mr. Karan Dev Tayal, have also provided unsecured loan (Outstanding as on 31-03-2020 ) of Rs. 67.25 lacs and Rs. 50 lacs respectively to the Company @ 12% p.a. Mr. Abhiram Tayal and Mr Karan Dev Tayal also holds 3,90,330 shares and 28,770 Shares respectively in the Company.

Further Mrs. Anubha Tayal, Non-Executive Director of the Company has also provided unsecured loan (Outstanding as on 31-03-2020 ) of Rs. 30.25 lacs to the Company @ 12 % p.a.

**III. OTHER INFORMATION:**

1) **Reasons of loss or inadequate profits**

- Competition;
- Pressure on pricing;
- High Interest rates.

2) **Steps taken or proposed to be taken for improvement**

- To launch new products ;
- Reduce break-even;
- Enhance performance ethics;
- Leadership and outsourcing;
- Specialisation.

3) **Expected increase in productivity and profit in measurable terms.**

The above steps taken/proposed to be taken by the Company are expected to increase the productivity and profits of the Company.

**IV. DISCLOSURES:**

- 1) The remuneration package of Mr. Abhiram Tayal and Mr. Karan Dev Tayal are given in the respective resolutions.
- 2) The disclosures as required on all elements of remuneration, service contract details, etc. are mentioned elsewhere in resolution forming part of the notice and in the Corporate Governance Report section of Annual Report.
- 3)

**By the order of Board of Directors  
For Hisar Metal Industries Limited**

**Hisar, August 12, 2020**  
**Registered Office:**  
Near I.D.C., Delhi Road  
Hisar-125 005  
Haryana

(Vishesh Kumar Chugh)  
**GM (Finance) & Company Secretary**



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present 30<sup>th</sup> Annual Report and the Company's audited financial statement for the financial year ended March 31, 2020.

**FINANCIAL RESULTS**

The Company's financial performance for the year ended March 31, 2020 is summarized below:

<b>FINANCIAL RESULTS</b>	<b><u>2019-20</u></b>	<b>(Rs. in Lakhs)</b> <b><u>2018-19</u></b>
Sales/Others receipts	17811.13	20877.57
Profit before depreciation and Taxation	732.83	909.18
Less: depreciation	231.27	208.86
Profit after depreciation	501.56	700.32
Less: Provision for Taxation		
Current Year	127.51	174.50
Deferred Tax	(16.99)	(5.75)
Previous Year Tax	-	(0.97)
Profit after Taxation	391.04	532.54
Add: Profit brought forward	1560.81	1093.37
Profit available for appropriation	1951.85	1625.91
Dividend & Tax on dividend	54.00	65.10
Surplus carried to Balance Sheet	1897.85	1560.81

**COMPANY'S BUSINESS GROWTH AND PROSPECTS**

The total income for the current year has remained to Rs.17811.13 Lakhs as against previous year of Rs. 20877.57 Lakhs, whereas the profit after tax has decreased from Rs. 532.54 Lakhs to Rs. 391.04 Lakhs .

However, in view of 21 days' nationwide lockdown advisory announced by the Government of India and other authorities to contain the spread of Corona Virus disease (COVID-19), the Company temporarily suspended the manufacturing operations in its plants with effect from 24 March 2020.

After the second lockdown, in May the Company has partially resumed the production in accordance with the applicable guidelines issued by Ministry of Home Affairs, Government of India and State Government. . It is adhering to the safety norms prescribed by the Government of India. Company has taken utmost care of its staff and work force at manufacturing facilities, like sanitization, social distancing, mandatory wearing of mask, maintaining proper hygiene etc.

**DIVIDEND**

Your Directors have recommended a dividend of 10% on share of face value of Rs. 10 each i.e. Re. 1/- per share for the financial year ended on March 31, 2020.

**SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2020 was Rs. 5,40,00,000/-. During the year under review the company has not issued any shares or convertible instruments.

## **TRANSFER TO RESERVES**

Your Directors have not recommended any amount to transfer to general reserve.

## **FIXED DEPOSITS**

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rule, 2014.

## **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has deposited a sum of Rs. 34730/- into the specified bank account of the IEPF, Government of India, towards unclaimed / unpaid dividend amount for the financial year ended March 31, 2012.

As per the said Rules, the corresponding equity shares in respect of which Dividend remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. During the year under review, the Company has transferred 4800 underlying Equity Shares to the Demat Account of the IEPF Authority, in compliance with the aforesaid Rules

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by the Company, if any, are given in the notes to the financial statements.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions may be accessed on the Company's website at the link: <http://www.hisarmetal.com>

Your Directors draw attention of the members to Note 27 to the financial statement which sets out related party disclosures.

## **INTERNAL FINANCIAL CONTROL**

Your Company has adequate internal control systems commensurate with its size and operations, although not documented. The Company regularly gets its accounts audited from internal auditor.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism & Whistle Blower Policy to report genuine concerns or grievances. The Vigil Mechanism & Whistle Blower Policy has been posted on the Company's website at <http://www.hisarmetal.com>.

## **RISK MANAGEMENT**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Company has also devised a Risk Management Policy for identification of elements of risks and procedures for reporting the same to the Board.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure A** to this Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with Section 134 (5) of Companies Act, 2013 the Board of Directors confirms that:

- a) in the preparation of the annual accounts for the year ended March 31, 2020 the applicable Indian accounting standards (IND-AS) read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) 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;
- c) 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;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr Karan Dev Tayal (DIN-00181214), Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Further, the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 11<sup>th</sup> February, 2020, have recommended and approved the re-appointment of Mr. Abhiram Tayal (DIN-00081453) and Mr Karan Dev Tayal (00181214) as Managing Director and Whole Time Director respectively of the company for a period of three years from February 14, 2020 to February 13,2023 subject to approval of Members at this ensuing Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The evaluation of all the Directors and the Board as whole was conducted based on the

criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in this Annual Report.

The policy of the Company on Directors' appointment and remuneration, adopted by the Board, is appended as **Annexure-B** to the Boards' report.

## **AUDIT COMMITTEE**

The Audit Committee consists of three Directors, out of which two are the Independent Directors, namely Mr. Shital Parshad Jain (Chairman), Mr. Sajjan Singh and Mrs. Anubha Tayal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

### **Corporate Social Responsibility (CSR) Committee:**

Pursuant to Section 135 of the Companies Act, 2013, the company has constituted a CSR Committee consisting of following members:-

- Mr Shital Parshad Jain, Independent Director as Chairman
- Mr Sajjan Singh, Member
- Mrs Anubha Tayal, Member

## **BOARD AND COMMITTEE MEETINGS**

Four meetings of the Board of Directors were held during the year. The details of the composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

## **STATUTORY AUDITORS**

M/s. Arun Naresh & Co., Chartered Accountants, were appointed as Statutory Auditor of the Company at 27<sup>th</sup> Annual General Meeting held on September 27, 2017 to hold office till the conclusion of the 32<sup>nd</sup> Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **SECRETARIAL AUDITORS**

Ms Anju Jain, the Practicing Company Secretary was appointed by the Board as Secretarial Auditor, to conduct the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report for financial year 2019-20 forms part of the Annual Report as **Annexure-C** to the Board's report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed Ms Anju Jain, Practicing Company Secretary, as Secretarial Auditor of the Company for the financial year 2020-21 also.

## **COST RECORDS**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

## **COST AUDITORS**

The Board has appointed M/s. Naveen Gupta & Co., Cost Accountants having Firm Registration No. 100920 with the Institute of Cost Accountants of India, as Cost Auditor of the Company for conducting Cost Audit of the Company for the financial year 2020-21.

## **INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee, Ms Ritu Aggarwal was appointed by the Board of Directors to conduct internal audit for the financial year 2020-21.

## **EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as **Annexure D** to this Report.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There was no such employee of the Company who is covered under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure E** to this Report.

## **CORPORATE GOVERNANCE**

Your Company has complied with all the mandatory provisions of corporate governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance along-with Auditors' certificate in this regard forms part of the Annual Report as **Annexure F** to the Board's report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forms part of the Annual Report as **Annexure G** to the Board's report.

## **Annual Report on Corporate Social Responsibility (CSR) activities in accordance with Rule 8 of Companies (CSR Policy) Rules, 2014:**

Refer Annexure H

## **COMPLIANCE OF GUIDELINES OF SEBI/STOCK EXCHANGE**

We have duly complied with all the applicable guidelines issued by SEBI/Stock Exchange.

## **SECRETARIAL STANDARDS OF ICSI**

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT**

The outbreak of COVID-19 pandemic in the financial year under review has not been contained, on the contrary its severity has been increased all over the globe including India, severally impacting economy. The impact of COVID-19 pandemic is detailed under Management Discussion and Analysis Report (Annexure - G of the report). Apart from COVID-19 pandemic impact which may affect the financial position of the Company, there are no other material changes and commitments affecting the financial position of the Company required to be reported under this section.

**INDUSTRIAL RELATIONS**

Industrial relations continued to be cordial during the year under review.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. The Company has not constituted Employees' Stock Option Scheme (ESOS) and not issued any share to its employees under the said Scheme or any other scheme (including sweat equity shares) during the financial year.
3. Company does not have any subsidiary.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

The Board of Directors thanks and deeply acknowledge the co-operation, assistance and support provided by all the stakeholders viz., workers, shareholders, bankers, customers, dealers, vendors, Government and Regulatory agencies.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214

**ANNEXURE A**

**Pursuant to Companies (Accounts) Rules, 2014**

**A). CONSERVATION OF ENERGY**

The following measures are employed by the Company for conservation of energy:-

- a) The steps taken on conservation of energy:
  - 1. Installation of LED lights to reduce power consumptions.
  - 2. To optimise the combustion of annealing furnaces, the atmospheric air is pre-heated by flue gases at 220°C to reduce fuel consumption.
  - 3. Using the Operating pumps near the best efficiency point for saving energy.
  - 4. By maintaining power factor near to 1.00 to save energy.
  - 5. Installation of variable frequency drive at bright annealing lines and slitting machines resulted energy cost saving and significant reduction in DC motor maintenance cost.
  - 6. Timer provided for auto controlling of area and plant lighting.
  - 7. Installed 2x25KW frequency drive in place of DOL starters at rolling mills screw down for proper utilisation of screw speed, resulting saving of energy consumption.
  - 8. Power purchases through IEX.
  - 9. At plant area used roof extractors instead of exhaust fans for air circulation saving electrical energy.
- b) The steps taken by the Company for utilising alternate sources of energy:
  - 1. Asbestos sheets replaced with the polycarbonate transparent sheets at different intervals in order to achieve better illumination during day time and hence significant reduction in power consumption by switching off shed lights during day time at the plant.
- c) The capital investment on energy conservation equipments:
  - 1. Day light linked control system installed on the street lights to shut off the streetlights automatically.
  - 2. Installed localised capacitor can increase the Power Factor of the motors & improve the voltage profile of the LT distribution & decrease the distribution losses in the cable networks.
  - 3. More LED lights will be installed in different areas of plant to reduce power consumption.

**B). TECHNOLOGY ABSORPTION**

The Company has made the below mentioned efforts for the technology absorption in an effective manner:

- 1. Efforts in brief, made towards technology absorption and innovation : NIL
- 2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. : NIL
- 3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished : NIL
  - a) Technology imported
  - b) Year of import
  - c) Has technology fully absorbed
  - d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action
- 4. Expenditure on Research and development : NIL

**C). FOREIGN EXCHANGE EARNINGS AND OUTGO**

<b>Particulars</b>	<b>For the year ended on March 31, 2020</b>	<b>For the year ended on March 31, 2019</b>
Earnings	55,14,457	1,02,39,774
Outgo	4,61,64,448	3,90,04,023

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214



**Annexure B**

**NOMINATION AND REMUNERATION POLICY**

**INTRODUCTION**

This Nomination and Remuneration Policy (“Policy”) is being formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto, as amended from time to time and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). This policy is applicable to the Directors, Key Managerial Personnel and Senior Management of the Company.

**(A) Role of Nomination and Remuneration Policy**

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors ;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

**(B) Definitions**

‘**Act**’ means Companies Act, 2013

‘**Board**’ means Board of Directors of the Company.

‘**Directors**’ means Directors of the Company.

‘**Committee**’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act.

‘**Company**’ means Hisar Metal Industries Limited

‘**Independent Director**’ means a Director referred to in Section 149(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Director) Rules, 2014.

‘**Key Managerial Personnel (KMP)**’ means—

- i) the Chief Executive Officer or the managing director or the manager;
- ii) the Company Secretary;
- iii) the whole time director;
- iv) the Chief Financial Officer: and

v) such other officer as may be prescribed

**‘Senior Management’** shall mean officer/personnel of the company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/ managing director/whole time director/manager including chief executive officer/manager, in case they are not part of the board, and shall specifically include company secretary and chief financial officer

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act as may be amended from time to time shall have the meaning respectively assigned to them therein.

**(C) Criteria for appointment and removal of Directors, KMPs and Senior Management**

**(a) Appointment Criteria and qualifications**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend the profile to the Board for their appointment as and when required.
2. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who is below the age of twenty-one years or has attained the age of seventy years. Provided that the terms of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for appointment beyond seventy years.
3. A KMP of the Company shall not hold office in more than one Company except in its Subsidiary company at the same time. However, a KMP can be appointed as a Director in any company, with the permission of the Board.

**(b) Term/Tenure**

**1. Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**2. Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s report.

No independent Director shall hold office for more than two consecutive terms of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**(c) Removal**

Due to reasons for any disqualification mentioned in the Act and rules made thereunder or under any other applicable laws or as per the prevailing policy of the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act and rules.

**(d) Retirement**

The KMP, Senior Management personnel and other employees shall retire as per the prevailing policy of the Company.

**(D) Basis of remuneration for Directors, KMPs and Senior Management**

**(a) Remuneration to Managing Director/Whole-Time Directors:**

1. The Remuneration/ Commission etc, to be paid to Managing Director/Whole-time Directors shall be governed as per provisions of the Act and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Shareholders of the Company.
2. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.

**(b) Minimum remuneration to Managing Director**

If, in any financial year , the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions then with the previous approval of the Central Government.

**(c) Remuneration to KMPs and Senior Management**

The guidelines for remuneration payable to the employees are as follows:

**(i) Annual Remuneration**

Annual remuneration refers to the annual compensation payable to the employees of the Company. This comprises two parts- a fixed component and a special incentive in case of some exceptional performance.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

**(ii) Stock Option**

The Independent Directors shall not be entitled to any Employee Stock Option Scheme (“ESOP”) of the Company whereas Managing Director, Whole-time Directors, KMPs, Senior Management and other employees may be entitled to get the ESOP of the Company based on their performance.

**(d) Remuneration to Non-Executive /Independent Directors**

Non-executive /Independent Directors shall receive the reimbursement, if any for the expenditure incurred in connection with the business of the Company and in connection with attending meetings of the Board. Non-executive Directors shall not be entitled to any performance based incentives or bonus payments.

**Policy Review**

This policy is framed based on the provisions of the Act and rules framed thereunder.

In case of any subsequent changes in the provisions of the Act which makes any of the provisions in the policy inconsistent with the Act, then the provisions of the Act would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law.

This policy shall be reviewed by the Committee as and when changes are to be incorporated in the policy due to change in the Act or as may be felt appropriate by the Committee. Any changes or modification on the policy will be recommended by the Committee for the approval of the Board.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214

**Annexure C**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and  
Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members  
Hisar Metal Industries limited  
Near I. D. C., Delhi Road,  
Hisar-125 005 (Haryana)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hisar Metal Industries limited (**CIN L74899HR1990PLC030937**) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- 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 **(Not applicable to the Company during the Audit Period);** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

**(vi) OTHER APPLICABLE ACTS;**

- a. Factories Act, 1948;
- b. Industrial Disputes Act, 1947;
- c. Payment of Wages Act, 1936;
- d. The Minimum Wages Act, 1948;
- e. Employees' State Insurance Act, 1948;
- f. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- g. The Payment of Bonus Act, 1965;
- h. The Industrial Employment (Standing Orders) Act, 1946;
- i. Payment of Gratuity Act, 1972;
- j. The Workmen's Compensation Act, 1923;
- k. Air (Prevention & Control of Pollution) Act, 1981;
- l. Water (Prevention & Control of Pollution) Act, 1974;
- m. Hazardous Waste (Management & Handling) Rules, 1989;
- n. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- o. Environment (Protection) Act, 1986;

I 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**MANAGEMENT RESPONSIBILITY**

- 1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
- 2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. I have not examined any other specific laws except as mentioned above.

5. Wherever required , I have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis;
7. 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;

**I 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 provisions 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. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I 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.

**CS Anju Jain**  
**Company Secretary in Practice**  
**ACS No. : 11056**  
**C P No.: 2728**

**Place : Hisar**  
**Date : 13<sup>th</sup> July, 2020**

**UDIN Number A011056B000443180**

**Annexure D**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2020**

[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)	CIN	L74899HR1990PLC030937
ii)	Registration Date	14-05-1990
ii)	Name of the Company	HISAR METAL INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	Company limited by shares
v)	Address of the Registered office and contact details	Hisar Metal Industries Limited Near I.D.C., Delhi Road, Hisar – 125 005 Tel.: +91 (1662) 220067/ 220367/220738 Fax: +91 (1662) 220265 E-mail: investor@hisarmetal.com Website: <a href="http://www.hisarmetal.com">www.hisarmetal.com</a>
vi)	Whether listed Company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Pvt. Ltd. D-153 A, Ist Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020 Tel.:+91 (11) 26812682, 83, 64732681 to 88 Fax: +91 (11) 26812682 Email:admin@skylinerta.com

**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	Steel	2410	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
Not Applicable*					

\* Company does not have any Holding/Subsidiary/Associate Company as on 31-03-2020.





<b>2.Non-institutions</b>									
a) Bodies Corp.									
i) Indian	99007	-	99007	1.83	60638	-	60638	1.12	-0.71
ii) overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i).Individual shareholders holding nominal share capital up to Rs. 2 lakh.	1048496	85565	1134061	21.00	1069265	80065	1149330	21.28	0.28
ii).Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	783152	96900	880052	16.30	788386	96900	885286	16.39	0.09
C) Other (specify)									
(C-i) NRIs	137576	-	137576	2.55	134050	-	134050	2.48	-0.07
(C-ii) HUF	102497	2550	105047	1.94	94364	2550	96914	1.79	-0.15
(C-iii) Clearing Members/House	10982	-	10982	0.20	9437	-	9437	0.17	-0.03
(C-iv) IEPF	29470	-	29470	0.55	34270	-	34270	0.63	0.08
<b>Sub-Total(B)(2)</b>	<b>2211180</b>	<b>185015</b>	<b>2396195</b>	<b>44.37</b>	<b>2190410</b>	<b>179515</b>	<b>2369925</b>	<b>43.89</b>	<b>-0.48</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	2211180	185015	2396195	44.37	2190410	179515	2369925	43.89	-0.48
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>5214985</b>	<b>185015</b>	<b>5400000</b>	<b>100.00</b>	<b>5220485</b>	<b>179515</b>	<b>5400000</b>	<b>100.00</b>	<b>NIL</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2019)			Share holding at the end of the year (As on 31-03-2020)			% change in share holding during the year#
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Gayatri Devi Kokra	1550	0.03	0.00	1550	0.03	0.00	NIL
2	Rahul Dev Tayal	117225	2.17	0.00	117225	2.17	0.00	NIL
3	Narender Kumar Jindal & Sons HUF	63000	1.17	0.00	63000	1.17	0.00	NIL
4	Pushpa Jindal	99150	1.84	0.00	99150	1.84	0.00	NIL
5	Narender Kumar Jindal	102000	1.89	0.00	102000	1.89	0.00	NIL
6	Mahabir Prasad Jindal	160500	2.97	0.00	160500	2.97	0.00	NIL

7	Ravinder Kumar Jindal	186300	3.45	0.00	186300	3.45	0.00	NIL
8	Pankaj Jindal	261750	4.85	0.00	261750	4.85	0.00	NIL
9	Kanika Tayal	113400	2.10	0.00	125200	2.32	0.00	0.22
10	Mahabir Prasad Jindal & Sons HUF	116700	2.16	0.00	116700	2.16	0.00	NIL
11	Abhiram Tayal	380630	7.05	0.00	390330	7.23	0.00	0.18
12	Anubha Tayal	786900	14.57	0.00	786900	14.57	0.00	NIL
13	Karan Dev Tayal	24000	0.44	0.00	28770	0.53	0.00	0.09
14	Ravindra Tubes Limited	14100	0.26	0.00	14100	0.26	0.00	NIL
15	Jindal Metal Limited	60000	1.11	0.00	60000	1.11	0.00	NIL
16	Neeraj Jindal Ispat Udyog Limited	249000	4.61	0.00	249000	4.61	0.00	NIL
17	Amtrex Trading Company Private Limited	267600	4.96	0.00	267600	4.96	0.00	NIL
	<b>Total</b>	<b>3003805</b>	<b>55.63</b>	<b>0.00</b>	<b>3030075</b>	<b>56.11</b>	<b>0.00</b>	<b>0.48</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Name	Shareholding		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares at the beginning/ end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
1	Abhiram Tayal	380630	7.05	29/11/2019	9700	Acquisition	390330	7.23
2	Kanika Tayal	113400	2.10	06/09/2019	11800	Acquisition	125200	2.32
3	Karan Dev Tayal	24000	0.44	13/12/2019	4770	Acquisition	28770	0.53

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

Sl. No.	Name	Shareholding		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares at the beginning/end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
1.	Mahendra Girdharilal	174363	3.23	01/04/2019	-		174363	3.23
				31/03/2020			<b>174363</b>	<b>3.23</b>
2.	Keshav Jindal	136950	2.54	01/04/2019	-		136950	2.54
				31/03/2020			<b>136950</b>	<b>2.54</b>
3.	Krishnakumar Dharamshi Somaiya	110001	2.04	01/04/2019			110001	2.04
				31/03/2020			<b>110001</b>	<b>2.04</b>
4.	Yashavi Jindal	107700	1.99	01/04/2019			107700	1.99

				31/03/2020			<b>107700</b>	<b>1.99</b>
5.	Krishan Kumar Jain	64612	1.20	01/04/2019			64612	1.20
				31/03/2020			<b>64612</b>	<b>1.20</b>
6.	Mahender Kumar Goyal	51450	0.95	01/04/2019			51450	0.95
				31/03/2020			<b>51450</b>	<b>0.95</b>
7.	Deepa Bansal	50673	0.94	01/04/2019			50673	0.94
				22/11/2019	12600	Disposal	38073	0.71
				06/12/2019	2652	Disposal	35421	0.66
				03/01/2020	4748	Disposal	30673	0.57
				28/02/2020	4748	Acquisition	35421	0.66
				31/03/2020			<b>35421</b>	<b>0.66</b>
8.	Kusum Aggarwal	44250	0.82	01/04/2019			44250	0.82
				31/03/2020			<b>44250</b>	<b>0.82</b>
9.	Pankaj Sumatibhai Shah	36150	0.67	01/04/2019			36150	0.67
				31/03/2020			<b>36150</b>	<b>0.67</b>
10.	Ruchika Agrawal	31500	0.58	01/04/2019			31500	0.58
				31/03/2020			<b>31500</b>	<b>0.58</b>

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares at the beginning /end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
<b>A</b>	<b>Directors:</b>							
1	M. P. Jindal Non-Executive Chairman #	160500	2.97	01-04-2019	-		160500	2.97
				31-03-2020			<b>160500</b>	<b>2.97</b>
2	Abhiram Tayal Managing Director	380630	7.05	01-04-2019			380630	7.05
				29/11/2019	9700	Acquisition	390330	7.23
				31-03-2020			<b>390330</b>	<b>7.23</b>
3	Anubha Tayal Non-Executive Director	786900	14.57	01-04-2019			786900	14.57
				31-03-2020			786900	14.57
4	Karan Dev Tayal Whole Time Director	24000	0.44	01-04-2019			24000	0.44
				13-12-2019	4770	Acquisition	28770	0.53
				31-03-2020			<b>28770</b>	<b>0.53</b>
5	Shital Parshad Jain Non-Executive Director	0	0.00	01-04-2019	-	Nil Holding/movement during the year		
				31-03-2020			0	0.00
6	Sajjan Singh Non-Executive Director	0	0.00	01-04-2019	-	Nil Holding/movement during the year		
				31-03-2020			0	0.00

7	Sharat Jain Non-Executive Director	0	0.00	01-04-2019	-	Nil Holding/ movement during the year		
				31-03-2020			0	0.00
8	Anuj Kumar Non-Executive Director	0	0.00	01-04-2019	-	Nil Holding/ movement during the year		
				31-03-2020			0	0.00
<b>B</b>	<b>Key Managerial Personnel (KMP's)</b>							
1	Chief Financial Officer R.S.Bansal #	0	0.00	01-04-2019	-	Nil Holding/ movement during the year		
		0	0.00	31-03-2020			0	0.00
2	Company Secretary Vishesh Chugh (Joined during the year)	0	0.00	01-04-2019	-	Nil Holding/ movement during the year		
		0	0.00	31-03-2020			0	0.00

# Mr. M.P. Jindal, also holds 116700 shares in the Company through Mahabir Prasad Jindal & Sons HUF.

#### V. INDEBTEDNESS

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

(Rs. in lakhs)

	Secured Loans	Unsecured Loans	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
i) Principal Amount	4552.50	1708.96	6261.46
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	<b>4552.50</b>	<b>1708.96</b>	<b>6261.46</b>
<b>Change in Indebtedness during the financial year</b>			
• Addition		140.39	140.39
• Reduction	112.12	-	112.12
<b>Net Change</b>	<b>(112.12)</b>	<b>140.39</b>	<b>28.27</b>
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	4440.38	1849.35	6289.73
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	<b>4440.38</b>	<b>1849.35</b>	<b>6289.73</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Managing Director	Name of Whole-time Director	Total Amount
		Abhiram Tayal	Karan Dev Tayal	
1.	Gross salary	15,21,600	15,21,600	30,43,200
	(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	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others	-	-	-
<b>Total (A)</b>		<b>15,21,600</b>	<b>15,21,600</b>	<b>30,43,200</b>

**B. Remuneration to other Directors:**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mahabir Prasad Jindal	Anubha Tayal	Shital Parshad Jain	Shart Jain	Anuj Kumar	Sajjan Singh	
1.	Independent Directors							
	Fee for attending Board/ Committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-	-
2.	Other Non-Executive Directors							
	Fee for attending Board/ Committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-	-
<b>Total Managerial Remuneration*</b>		-	-	-	-	-	-	<b>30,43,200</b>

\* Total remuneration to Managing Director, Whole-time Director and other Directors (being the total of A and B).

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:** (Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CS Vishesh Chugh		CFO (R.S. Bansal)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,55,569		11,64,277	24,19,846
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
5.	Others				
	<b>Total</b>	12,55,569		11,64,277	24,19,846

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no Penalties / Punishment/ Compounding of Offences during the year ended 31st March 2020.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020

**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
 DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
 DIN:00181214

**Annexure E**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i). The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

(Amount in Rs.)

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2019-20	% increase in Remuneration in the Financial Year	Ratio of remuneration /to median remuneration of employees (Excl. MD and WTD)	Ratio of remuneration /to median remuneration of employees (Incl.MD and WTD)
1	Abhiram Tayal Managing Director	15,21,600	-	8.11	8.07
2	Karan Dev Tayal Whole-time Director	15,21,600	-	8.11	8.07
3	Radhey Shyam Bansal (Chief Financial Officer)	11,64,277	10.76	6.21	6.18
4	Vishesh Kumar Chugh (Company Secretary and Compliance Officer)	12,55,569	3.70	6.69	6.66

- (ii). The median remuneration of employees of the Company excluding Managing Director (MD) and Whole-time Director (WTD) was Rs. 1,87,599/- and Rs. 1,78,000/- in the financial year 2019-20 and 2018-19 respectively. The increase in median remuneration of employees excluding MD and WTD in the financial year 2019-20 as compared to financial year 2018-19 is 5.39%.
- (iii). The median remuneration of employees of the Company including Managing Director (MD) and Whole-time Director (WTD) was Rs. 1,88,464/- and Rs. 1,78,413/- in the financial year 2019-20 and 2018-19 respectively. The increase in median remuneration of employees including MD and WTD in the financial year 2019-20 as compared to financial year 2018-19 is 5.63%.
- (iv). There were 210 (previous year 224) permanent employees on the rolls of the Company as on March 31, 2020.
- (v). It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal) (Karan Dev Tayal)  
**Managing Director** **Whole-time Director**  
DIN:00081453 DIN:00181214



**Annexure F**

**CORPORATE GOVERNANCE REPORT**

Corporate Governance Report for the year 2019-20 following the compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being published as under:

**1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:** Your Company believes not only in maximizing the wealth and earnings for the stakeholders but also in operating business in an environment conducive to transparency, integrity and trusteeship by incorporating an effective disclosure policy and sense of accountability. The Company is committed to adopt the best corporate governance practices and continuously strives to adhere to them and is in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on corporate governance.

**2. BOARD OF DIRECTORS:**

a) **Composition:** The Company’s Board consisted of 8 members as on March 31, 2020 out of which 6 are the Non-Executive Directors. The particulars of said Directors are provided herein below. The Chairman of the Board is the Non-Executive and the number of Independent Directors on the Board meets the requirements of the corporate governance.

Sr. No.	Name	Category	No. of Directorships in other Companies		No. of membership of Committees in other Companies <sup>\$</sup>	
			Public	Private	Member	Chairman
1.	Mr. M. P. Jindal Chairman	Promoter being Non Executive	-	1	-	-
2.	Mr. Shital Parshad Jain	Non-Executive Independent	-	-	-	-
3.	Mr. Sajjan Singh	Non-Executive Independent	-	-	-	-
4.	Mr. Sharat Jain	Non-Executive Independent	-	-	-	-
5.	Mr. Anuj Kumar	Non-Executive Independent	-	1	-	-
6.	Mrs. Anubha Tayal	Promoter being Non Executive	-	-	-	-
7.	Mr. Karan Dev Tayal Whole-time Director	Promoter being Executive	-	2	-	-
8.	Mr. Abhiram Tayal Managing Director	Promoter being Executive	2	-	-	-

***\$ Includes only the membership of Audit and Shareholders/Investors’ Grievance and Share Transfer Committees of Indian public limited companies.***

**Inter-se relationship between Directors:**

Name of Director	Abhiram Tayal	Anubha Tayal	Karan Dev Tayal
Abhiram Tayal	Self	Wife	Son
Anubha Tayal	Husband	Self	Son
Karan Dev Tayal	Father	Mother	Self

**Other than above, there is no inter-se relationship amongst Directors.**

- b) **Board Meetings:** The dates of meetings are fixed in advance and detailed agendas are circulated to all the Directors and the members of the respective Committees sufficiently in advance of respective meetings. During the financial year 2019-20 four Board Meetings were held on 29<sup>th</sup> May 2019, 10<sup>th</sup> August 2019, 14<sup>th</sup> November 2019, and 11<sup>th</sup> February 2020. One separate meeting of Independent Directors was also held on February 11, 2020 which was attended by all the Independent Directors.
- c) **Attendance of Directors:** The attendance of the each Director at the Board meeting held during the year 2019-20 and at the last AGM held on September 23, 2019 is shown as under :

<b>Name of Director</b>	<b>No. of meetings attended</b>	<b>Attendance at the last AGM</b>
Mr. M.P. Jindal	1	Absent
Mr. Abhiram Tayal	4	Present
Mrs. Anubha Tayal	4	Present
Mr. Shital Parshad Jain	4	Present
Mr. Sajjan Singh	4	Present
Mr. Karan Dev Tayal	4	Present
Mr. Sharat Jain	4	Absent
Mr. Anuj Kumar	3	Absent

- d) **Shareholding of the Non-Executive Directors:**  
The shareholding of the Non-Executive Directors of the Company as on March 31, 2020 is as under:

<b>S. No.</b>	<b>Name</b>	<b>No. of shares</b>
1.	Mr. M. P. Jindal	160500
2.	Mrs. Anubha Tayal	786900
3.	Mr. Shital Parshad Jain	NIL
4.	Mr. Sajjan Singh	NIL
5.	Mr. Sharat Jain	NIL
6.	Mr. Anuj Kumar	NIL

**Note: Mr. M. P. Jindal also holds 116700 shares in the Company through Mahabir Prasad Jindal & Sons HUF.**

- e) **Familiarization programmes for Board Members:** The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company’s procedures and practices. Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Independent Directors were updated with Detailed presentations on the Company’s business segments during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to plant location are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the Company’s website: <http://www.hisarmetal.com>.
- f) **Code of Conduct:** The Company has adopted the code of conduct for all its Directors and employees. The code of conduct is posted on the Company’s website: <http://www.hisarmetal.com>. All Board members and senior management personnel have affirmed compliance with their

respective Codes of Conduct. The Managing Director has also confirmed and certified the same. The certification is enclosed at the end of this Report.

- g) Information placed before the Board:** The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.
- h) Conflict of Interests:** Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.
- i) Insider Trading Code:** The Company has adopted Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company’s website: <http://www.hisarmetal.com>.

The Company has also formulated ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’ in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company’s website: <http://www.hisarmetal.com>

**3. AUDIT COMMITTEE:**

- a) Terms of Reference:** The Committee deals with accounting, financial matters and internal control. The powers, role, delegation, responsibilities and terms of reference of the Audit Committee are as provided in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Composition and attendance of meetings:** The Audit Committee consists of three Directors, out of which two are the Independent Directors. The Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee have sound knowledge of finance and accounts. The head of Finance and Statutory Auditors attended the meeting of the Committee on the invitation of the Chairman.

During the financial year 2019-20 four Meetings of Committee were held on 29<sup>th</sup> May 2019, 10<sup>th</sup> August 2019, 14<sup>th</sup> November 2019, and 11<sup>th</sup> February 2020. The composition of the Audit Committee and attendance of members of the Committee are as under:

Name of Member	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	4
Mr. Sajjan Singh	4
Mrs. Anubha Tayal	4

**4. NOMINATION AND REMUNERATION COMMITTEE:**

- a) Terms of Reference:** The Committee reviews and approves the salaries, perquisites, service agreements and other employment conditions of the Directors, Key Managerial Personnel (KMPs) and other employees. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, KMPs and other employees. In line with this

requirement, the Board has adopted the Nomination and Remuneration Policy for Directors, KMPs and other employees of the Company. The policy is attached as **Annexure-B** to the Board's Report.

- b) **Composition and attendance:** All the members of the Committee are Non-Executive Directors. During the financial year 2019-20 two meeting of the Committee were held on 14<sup>th</sup> November 2019, and 11<sup>th</sup> February 2020. The Composition of the committee is as under:

Names of Members	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	2
Mr. Sajjan Singh	2
Mr. M. P. Jindal	1

- c) **Mechanism for Evaluating Board Members:** One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of Executive / Non Executive / Independent Directors through a peer-evaluation excluding the Director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision making of the Directors, relationship to stakeholders, Company performance, Company strategy, and the effectiveness of the whole Board and its various Committees on a scale of one to five. Feedback on each Director is encouraged to be provided as part of the survey.

Independent Directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the Independent Directors are evaluated include:

- Ability to contribute to and monitor our corporate governance practices;
- Active participation in long-term strategic planning;
- Commitment to the fulfilment of a Director’s obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.

**5. REMUNERATION OF DIRECTORS:**

- a) **Remuneration to Directors:** The remuneration paid to Executive Directors is approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders at the Annual General Meeting and such other authorities as the case may be. The Non-Executive Directors do not draw any remuneration from the Company.

- b) **Details of Executive Directors Remuneration:** The details of the remuneration paid to Executive Directors of the Company during the financial year 2019-20 are as under:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Managing Director	Name of Whole-time Director	Total Amount
		Abhiram Tayal	Karan Dev Tayal	
1.	Gross salary	15,21,600	15,21,600	30,43,200
	(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	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others	-	-	-
<b>Total</b>		15,21,600	15,21,600	30,43,200

1. The terms of appointment of Managing Director and of Whole-time Director are for a period of 3 years from the date of appointment as per section 152 of Companies Act, 2013.
2. The Directors of the Company are not eligible for any severance.
3. Executive Directors remuneration does not include contribution to gratuity fund since the same is paid for the Company as a whole.

The Company has not paid any performance linked incentives to the Directors during the year.

The Company does not have any stock option scheme.

#### 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

- Terms of Reference:** The Board of Directors had formed a Stakeholders' Relationship Committee to redress the grievances of stakeholders. The role of this Committee is to consider and resolve the grievances of the security holders including complaints like transfer of shares, non-receipt of annual reports, non-receipt of dividend etc.
- Composition and Attendance:** The members of the Committee are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. During the financial year 2019-20 four Meetings of Committee were held on 29<sup>th</sup> May 2019, 10<sup>th</sup> August 2019, 14<sup>th</sup> November 2019, and 11<sup>th</sup> February 2020. The composition of the Committee and attendance of its members are as under:

Name of Member	No. of Meetings Attended
Mr. Sajjan Singh, Chairman	4
Mrs. Anubha Tayal	4

During the financial year 2019-20 the Company has received one complaint from shareholders, the same was disposed off immediately.

Now Mr. Sharat Jain has been inducted as member of this committee.

Separate email id for lodging investors' complaint/Correspondence is: [vchugh@hisarmetal.com](mailto:vchugh@hisarmetal.com)

Mr. Vishesh Kumar Chugh, Company Secretary of the Company is the Compliance Officer for complying with requirements of Securities Laws.

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

**Composition and attendance of meetings:** The CSR Committee consists of three Directors, out of which two are the Independent Directors. Mr Shital Parshad Jain, Independent Director as chairman, Mr Sajjan Singh as member and Mrs Anubhan Tayal as member.

During the financial year 2019-20 four Meetings of Committee were held on 29<sup>th</sup> May 2019, 10<sup>th</sup> August 2019, 14<sup>th</sup> November 2019, and 11<sup>th</sup> February 2020. Attendance of members of the Committee are as under:

Name of Member	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	4
Mr. Sajjan Singh	4
Mrs. Anubha Tayal	4

**8. GENERAL BODY MEETINGS:** The last three Annual General Meetings of the Company were held at the registered office of the Company at Near I.D.C., Delhi Road, Hisar – 125 005 (Haryana) detailed as under:

Financial Year	Location	Date	Time	Special Resolutions
2016-17	Registered Office	27.09.17	11.00 A.M	One Special Resolution was passed
2017-18	- do -	27.09.18	9.00 A.M	Two Special Resolutions were passed
2018-19	- do -	23.09.19	9.00 A.M	Four Special Resolutions were passed

There was no resolution passed through postal ballot at any of the above meetings. Further there is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through a Postal ballot.

**9. MEANS OF COMMUNICATION:** The financial results and any other notice are published in the newspapers Financial Express for English and Jansatta for Hindi languages, and available on the Company’s website: <http://www.hisarmetal.com>. The Company regularly intimates the quarterly and yearly results to the stock exchanges immediately after taken on records by the Board of Directors. During the year under review, no presentations were made to any institutional investors or analysts.

A separate dedicated section under “Investor Relations”, on the Company’s website: <http://www.hisarmetal.com> gives information on unclaimed dividends, shares transferred to IEPF Authority, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors /public.

**10. GENERAL SHAREHOLDERS INFORMATION:**

- i. Detail of AGM:** As indicated in the Notice to our shareholders, the 30<sup>th</sup> Annual General Meeting of the Company will be held on Tuesday September 29, 2020 at 9.00 A.M. at the Registered office of the Company at Near I.D.C., Delhi Road, Hisar - 125 005.
- ii. Financial Year:** The Financial Year of the Company is from April 1 to March 31.
- iii. Date of Book Closure:** The books will be remain closed from September 19, 2020 to September 29, 2020 (both days inclusive) for the purpose of the Annual General Meeting and payment of final dividend, if approved by members.

iv. **Dividend Payment Date:** The Dividend if approved by the shareholders in the ensuing Annual General Meeting on September 29, 2020 will be paid within 30 days from the date of declaration.

v. **Listing on Stock Exchanges:** The shares of the Company are listed on:  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

The shares of the Company are permitted to be traded at the Bombay Stock Exchange under category Permitted for Trade.

The Company has paid listing fee to the Stock exchanges and annual custodial fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) before due date.

vi. **Stock Code:**  
National Stock Exchange of India Limited HISARMETAL

The details of Stock on BSE Limited are:

Scrip Code 590018  
Scrip ID on the BOLT System HISARMET

vii. **Stock Market Price Data**

	BSE Limited	National Stock Exchange of India Ltd. (NSE)		
Month (2019-20)	High (Rupees)	Low (Rupees)	High (Rupees)	Low (Rupees)
April, 2019	57.40	39.20	58.00	40.55
May, 2019	69.00	41.65	67.90	41.90
June, 2019	61.95	51.05	59.40	50.40
July, 2019	61.85	40.25	57.75	40.10
August, 2019	52.00	37.35	51.40	37.70
September, 2019	61.30	41.30	62.85	41.60
October, 2019	61.00	45.55	58.00	45.15
November, 2019	64.35	46.80	64.50	47.15
December, 2019	74.10	44.00	73.80	44.10
January, 2020	74.80	58.20	77.90	58.60
February, 2020	73.75	53.05	70.05	53.00
March, 2020	57.20	36.20	59.80	35.20

viii. **Registrar and Transfer Agent:** The Company has appointed M/s. Skyline Financial Services Pvt. Ltd. as Registrar and Transfer Agent (RTA) for processing of requests relating to the shares of the Company. Further RTA is also the interface of the Company for all the correspondence to be made with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The address for correspondence with RTA is as under:

Skyline Financial Services Pvt. Ltd  
D-153 A, Ist Floor, Okhla Industrial Area, Phase - I,  
New Delhi-110 020  
**Tel.:**+91 (11) 26812682, 83, 64732681 to 88  
**Fax:** +91 (11) 26812682  
**Email:**admin@skylinerta.com

**ix. Share Transfer System:** Shares received for transfer/transmission in the physical form are processed and the share certificates returned within time, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, from the date of the receipt subject to the documents being complete and valid in all respects.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

**x. Secretarial Audit and other certificates**

Practicing Company Secretaries have conducted the Secretarial Audit of the Company for FY 2019-20. Their Audit Report confirms that the Company has complied with its Memorandum and Articles of Association, the applicable provisions of the Act and the Rules made there under, Listing Regulations, applicable SEBI Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board’s Report.

Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

In accordance with the SEBI Circular dated 8th February, 2019, the Company has obtained an Annual Secretarial Compliance Report from Practicing Company Secretary confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended 31st March, 2020.

Practicing Company Secretary has issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

**xi. Distribution of Shareholding as on March 31, 2020:**

Number of shares		Number of Shareholders		Percentage of shares	
From	To	No.	% total	No.	% total
Up to	500	1854	81.17	239007	4.43
501	1000	169	7.40	130720	2.42
1001	2000	90	3.94	132097	2.45
2001	3000	52	2.28	134745	2.50
3001	4000	17	0.74	61350	1.14
4001	5000	12	0.53	55347	1.02
5001	10000	31	1.36	217850	4.03
10001	& above	59	2.58	4428884	82.02
<b>Total</b>		<b>2284</b>	<b>100</b>	<b>5400000</b>	<b>100</b>



Sr. No.	Particulars	No. of shares	
		No.	% total
1	Promoter & Promoter Group	3030075	56.11
2	Bodies Corporate	60638	1.12
3	Individuals	2034616	37.68
4	HUFs	96914	1.79
5	Non-residents	134050	2.48
6	Clearing Members/House	9437	0.17
7	Other-IEPF Authority	34270	0.63
<b>Total</b>		<b>5400000</b>	<b>100</b>

- xii. **Dematerialization of Shares and liquidity:** The shares of the Company are available to trade on BSE Limited under category Permitted for Trade and on National Stock Exchange of India Limited. As on March 31, 2020 the number of equity shares held in dematerialized form were 5220485 (96.68%) and in physical form were 179515 (3.32%).

The International Securities Identification Number (ISIN) of shares of the Company is INE598C01011.

- xiii. **E-voting:** E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of Companies. The Company will also have the E-voting facility for the items to be transacted at this AGM. The Ministry of Corporate Affairs has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL for availing E-voting facilities.

- xiv. **Commodity price risks and Commodity hedging activities:** The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

- xv. **Plant Location :**  
Cold Rolled Stainless Steel Strips' Plant:  
Near I.D.C., Delhi Road, Hisar - 125 005
- Stainless Steel Tubes & Pipes' Plant:  
Sector 27-28, Industrial Area, Hisar-125005

- xvi. **Address for correspondence :**  
Company Secretary  
Hisar Metal Industries Limited  
Near I.D.C., Delhi Road, Hisar – 125 005  
**Tel.:** +91 (1662) 220067/ 220367/220738  
**Fax:** +91 (1662) 220265  
**Email:** [vchugh@hisarmetal.com](mailto:vchugh@hisarmetal.com)

- xvii. **CIN:L74899HR1990PLC030937**

**11. OTHER DISCLOSURES:**

- a) **Related Party Transactions:** The Company has not entered any materially significant related party transactions that may have potential conflict with the interests of the Company at large. The disclosures in compliance of the Accounting Standards on “Related Party Disclosures” are mentioned below:

The details of the unsecured loan accepted by the Company from the related parties are as under:

Sr. No.	Name	Relation	Amount of loan as on 31.03.2020 (in Rs.)	Rate of Interest
1	Mr. Abhiram Tayal	Promoter Director	7451300	12%
2	Mrs. Anubha Tayal	Promoter Director	3351700	12%
3	Mr. M.P. Jindal	Promoter Director	96483607	12% on Rs.3.50Cr. and 9% on Rs. 5.75 Cr.
4	Mr. Karan Dev Tayal	Whole-time Director	5540000	12%
5	Amtrax Trading Co. Pvt. Ltd.	Directors Shareholding	10178555	12%

During the Financial year ended 31<sup>st</sup> March, 2020 the Company has done the following transactions with associated concerns of the Company:-

Nature of Transaction	Details of Transaction
Rent	Rs. 1500000/- paid to Jindal Metal Pvt. Ltd.
Interest	Rs. 1102370/- paid to M/s. Amtrex Trading Co. Pvt. Ltd. Rs. 818507/- paid to Mr. Abhiram Tayal Rs. 363000/- paid to Mrs. Anubha Tayal Rs. 4426230/- paid to Mr. M.P. Jindal Rs. 602466/- paid to Mr. Karan Dev Tayal Rs. 80959/- paid to M/s Ravindra Tubes (P) Ltd
Job Work	Rs. 30772/- Job Work Done for M/s. Jindal Polybutton Pvt.Ltd.
Purchases	Rs. 196045/- M.S.Pipe Purchased from M/s Ravindra Tubes (P) Ltd

- b) **Disclosure of non-compliance:** There is no incidence of non compliance by the Company for which any penalty, stricture imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- c) **Whistle Blower Policy:** Under the whistle blower policy, the employees of the Company are free to communicate any matter of concern in any area including accounts, finance, management, operations, employment and other affairs of the Company. Further no employee has been denied access to the Audit Committee.
- d) **Details of total fees for all services paid by the Company on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

The statutory auditors of the Company viz. M/s. ARUN NARESH & CO, were paid a total fees of Rs. 4.00 lakhs for all the services rendered by them, during the financial year 2019-20

- e) **Details of compliance of Corporate Governance:** The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance. Further the Company has complied with the following non-mandatory requirements:
- f)
  - i) The Company maintains the office of non-executive chairperson at the registered office of the Company and also reimburses the expenses, if any, incurred by him while performing his duties.
  - ii) The Company's financial statements are unmodified.
  - iii) The Company has appointed separate persons to the post of Chairman and Managing Director.
  - iv) The Internal auditor report directly to the Audit Committee.
- g) **Disclosure of Subsidiary:** The Company does not have any subsidiary.
- h) **Policy on dealing related party transactions:** The Policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website: <http://www.hisarmetal.com>.
- i) **Disclosure of Accounting Treatment:** The Financial Statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- j) **Risk Management:** Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214

**DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT**

I, Abhiram Tayal, Managing Director, hereby declare that as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the members of Board of Directors and the senior management personnel have affirmed their compliance with the Code of Conduct of the Company for the year ended on March 31, 2020.

For **Hisar Metal Industries Limited**

Date: August 12, 2020  
Place: Hisar

(Abhiram Tayal)  
**Managing Director**  
**DIN-00081453**

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**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of Hisar Metal Industries Limited

We have examined the compliance of conditions of Corporate Governance by Hisar Metal Industries Limited, Hisar-125005 for the year ended 31<sup>st</sup> March 2020, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of Company's management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders' Relationship Committee.

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

**For Arun Naresh & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 007127N**

**Date :** July 28, 2020  
**Place :** Delhi

**CA Naresh Kumar Aggarwal**  
**(Partner)**  
**Membership Number: - 095376**  
**UDIN – 20095376AAAABR1578**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,

The Members of  
Hisar Metal Industries Limited  
Near Industrial Development Colony  
Delhi Road , Hisar-125005 (Haryana)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hisar Metal Industries Limited** having CIN L74899HR1990PLC030937 and having registered office at Near Industrial Development Colony, Delhi Road , Hisar-125005 (Haryana) (hereinafter referred to as ‘the Company’), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1	ABHIRAM TAYAL	00081453	21/07/1990
2	ANUBHA TAYAL	00081391	24/06/1992
3	MAHABIR PRASAD JINDAL	00049867	14/02/1995
4	SAJJAN SINGH	00081937	28/09/2002
5	SHITAL PARSHAD JAIN	01844444	12/10/2007
6	SHARAT JAIN	02846477	31/10/2009
7	ANUJ KUMAR	02846580	31/10/2009
8	KARAN DEV TAYAL	00181214	03/10/2008

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place : Hisar**  
**Date : 09/06/2020**

**Anju Jain**  
**Practicing Company Secretary**  
**ACS : 11056 C.P. No: 2728**  
**UDIN Number : A011056B000327482**

**CEO & CFO Certificate**

We, Abhiram Tayal, Managing Director and R. S. Bansal, Chief Financial Officer, of the Company, hereby certify to the Board of Directors of Hisar Metal Industries Limited that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2020, and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee:
  - i. there were no significant changes in internal control over financial reporting during the year;
  - ii. there were no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any, and
  - iii. there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Hisar Metal Industries Limited**

**Date:** June 30, 2020

**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN-00081453

(R. S. Bansal)  
**Chief Financial Officer**

**Annexure G**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry Structure and Developments:**

Your Company is engaged in the manufacture of Cold Rolled Stainless Steel Strips and Stainless Steel Tubes & Pipes. From manufacturing process involved, it may be classified as a stainless steel strips, tubes and pipes manufacturer. The Indian steel industry has made a rapid progress on strong fundamentals over the recent few years. The industry is getting all essential ingredients required for dynamic growth. The government is backing the industry through favorable industrial reforms. Indian steel demand is expected to boost by Infrastructure & Construction development sustained by industrial, manufacturing and capital goods and be stimulated by the automotive, railways and consumer durable sectors.

Your Company has 2 Nos. of 6 Hi-Cold Rolling Mills, 3 Nos. of 4 Hi-Cold Rolling Mills and 4 Tubes Mills. Thus, your Company has immense capability to keep pace with the growing requirement of the industry. Besides, we always look forward to cope with technology advancement to grasp the all available opportunities.

**GLOBAL ECONOMY**

The world GDP growth for CY2019 stood at 2.9%, compared to a 3.6% growth in CY2018. The slower growth in 2019 was a result of a broad-based slowdown in global manufacturing and trade on the back of uncertainty around trade measures and tariffs. However, just as CY2020 was beginning to show signs of a modest recovery, the world was hit hard by the unprecedented COVID-19 pandemic. Subsequently lockdowns, shelter in place, stay at home orders, etc. were imposed across various countries, which brought an abrupt halt to the economic activities across the globe

According to the International Monetary Fund (IMF), global economic growth is likely to witness a steep de-growth of -4.9% in CY 2020, amidst ‘The Great Lockdown’ led by COVID-19. The contraction in growth seeps down to over 170 nations, and for several of them, this comes as a double whammy as they were already fighting existing headwinds in their economy.

That said, there is a co-ordinated policy measures being undertaken across the world, as most nations have responded with various stimulus measures and economic packages to mitigate the impact of this slowdown. Mankind seems to have found a new level of resolve to adapt and overcome this temporary shock. This also sets the stage for innovation, the aspects of which are being reflected across industries and all walks of life. Together, these establish the tone for a ‘new normal’

**Advanced Economies**

The advanced economies are mostly experiencing widespread outbreak, especially the US, the UK, Germany, France, Italy and Spain, and are therefore deploying containment measures that extract a sizable toll on economic activity. Additionally, adverse market sentiments are also likely to impact economic prospects.

**Emerging market and developing economies**

The emerging markets and developing economies are under pressure to balance their public health scenario with their economic development goals. However, emerging and developing Asia group is expected to be the only region with some growth rate in CY2020 due to significant domestic demand and policy responses.

**Outlook**

Global economic prospects solely rest on the pandemic fading eventually and the stimulus that governments will be able to provide their economies. So far, China appears to have overcome its initial shock after COVID-19 ravaged its Wuhan and Hubei provinces, while others are evaluating the spread of

the disease and assessing impact and placing possible mitigation measures in action.

Despite the pandemic having a more negative impact on global economic activities in CY 2020, the IMF estimates gradual recovery in CY 2021 with global growth forecast of 5.4%.

**INDIAN ECONOMY**

India’s economic growth moderated in FY 2019-20 to 4.2% from 6.1% a year earlier due to weak domestic consumption and subdued investments. The IMF estimates Indian GDP to contract by 4.5% in FY 2020-21 given the severe impact of pandemic on the domestic economic activities but bounce back to 6% in the subsequent year.

**India Economic Growth (%)**

<b>Particulars</b>	<b>F.Y. 2019-20</b>	<b>F.Y. 2018-19</b>
GDP	4.2	6.1
Agriculture	4.0	2.4
Industry	0.9	4.9
Services	5.5	7.7
Manufacturing	0.0	5.7
GFCF	-2.8	9.8
Construction	1.3	6.1

India faced an eventful FY 2020. Notwithstanding a large mandate for a stable government in the general elections, extended monsoons and a weakened investment and consumer sentiment subdued economic activity for a large part of the year. However, towards the end of third quarter, the demand picked up, especially with back-to-back policy rate cuts from the Reserve Bank of India (RBI) and the announcement of a large-scale multi-year infrastructure pipeline worth `102 lakh crores by the government.

In March 2020, as the pandemic spread its influence across the country, the Government of India proactively laid down containment measures, starting with a 21-day lockdown w.e.f. 25th March 2020, which was further extended in phases. The macroeconomic and financial activities, since then, have steeply waned, with a contraction in exports, declining production and sales of automobiles and a sharp fall in the demand for electricity.

The IMF projections of growth or de-growth are based upon the assumption that the lockdown and the pandemic recede during the second half of FY 2021, and there are synchronised efforts from both the government and the Reserve Bank of India (RBI) to support the economy and spur demand.

Despite the imminent risks to the economy, India’s growth is expected to gain pace gradually in the coming months, expectedly driven by targeted measures to protect jobs, income support to the vulnerable sections of households and businesses, and encourage investments. The Government of India has already announced a `20 trillion package (or ~10% of India’s GDP) to assist the nation and its people in mitigating the economic impacts of this pandemic.

India’s economy remains resilient with robust long-term fundamentals, providing large external buffers and reserves, which bolster the country’s potential to increase fiscal expenditure once the pandemic recedes. Moreover, India has the capacity and scale to expand its share in the global supply chain, which has been disrupted by the COVID-19 outbreak.

**GLOBAL STEEL INDUSTRY**

The global steel industry witnessed moderate growth during CY 2019, with spurts of growth in specific geographies. The industry was further hit by shutdowns, disrupted supply chains, collapsing confidence and delayed investment and construction projects, aggravated by financial market volatility and collapsing oil



prices during this period. The year witnessed slower macroeconomic growth and increased pricing pressure, led by protectionist tendencies

### **Recovering steel industry in China**

China is the world's largest manufacturer and consumer of steel. After eight weeks of lockdown, China resumed normal economic activities, including steel production in March 2020. All steel-consuming sectors are reviving to near normalcy level driven by large fiscal and favorable monetary policies in the country. While in the near term China is witnessing a strong domestic demand, but elevated levels of production could lead to higher exports out of China later in 2020, which may appear as a risk for global steel prices.

### **Outlook**

Despite the current market condition, steel demand is expected to remain buoyant in the long term, driven by construction and infrastructure development in the emerging economies. Besides, Advanced economies are expected to modernise and re-build their infrastructure, which bodes well for the global steel demand.

### **Indian steel industry**

India is the world's second largest producer of crude steel and is estimated to become the second-largest consumer of finished steel products<sup>2</sup> over the medium term, with the sector contributing ~2% of the country's GDP. The growth in India's steel consumption is driven primarily by infrastructure, construction and automobile sectors that account for ~75% of the domestic demand. The growth in India's production and consumption of steel is a direct result of its economic development and consistent government efforts to strengthen the industry.

However, construction and manufacturing activities were subdued for most part of the year driven by a credit squeeze and prolonged monsoon season. This also translated into softer pricing and weaker spreads for finished steel, notably in the first half of FY 2019-20. Well-placed players in the industry responded by shifting their market focus to exports, to liquidate accumulated inventory. This led to India becoming a net exporter of steel during the year under review, with non-alloy Hot Rolled Coil being the most exported item.

### **India leads global DRI production in March 2020**

Global production of Direct Reduced Iron (DRI), also called sponge iron, in January-March 2020 continued to be driven by India (9.72 MnT) at the number one spot with a growth of 10.7% over the same period of 2019.

### **Impact of COVID-19 on India's steel sector**

The nation-wide lockdown across India has impacted all economic activities. As a result, several steel user industry segments such as construction, infrastructure projects and automobiles had abruptly halted. However, with a subsequent lifting of lockdown measures, the economic activities across these segments are gradually moving back towards normalcy. With a substantial decline in demand, most steel production units across India are running at low capacity utilisation levels. The Indian steel industry responded to the situation by shifting focus on to exports, which meant a decent utilisation levels across the sector in May and June, with inventory levels not being elevated. With strong government incentives and policies, and the economy's inherent strengths, India is likely to gradually recover the lost ground in economic development in the coming year, leading to a significant momentum and strong recovery in the country's steel demand during FY 2022.

### **Government stimulus creating demand for steel in domestic market**

The Government of India's focus on delivering world-class infrastructure projects across the country has increased the overall steel demand in the country, with infrastructure, construction and real estate sectors together forming 60-65% of India's steel demand.

Besides, the new National Steel Policy (NSP) that was introduced in CY2016, retains the objectives of the NSP 2005. It aims to increase per capita steel consumption to 160 kg by FY 2030-31 and has a mandate of increasing production capacity to 300 MT by FY 2030- 31, which will translate into additional investments of `10 lakh crores (~\$156.08 billion).

### **Industry opportunities and threats**

With several backward and forward linkages in place, several factors catalyse the demand in the steel industry. Traditionally, construction, infrastructure, automobiles and consumer durable sectors generate steel demand, while the availability of raw materials and workforce have an impact on the production.

During FY 2020, Indian steel manufacturers continued to face the challenges of imported steel due to elevated level of imports from Japan and South Korea, besides reduced demand from the automobile and its ancillary sectors.

However, the government is working towards bolstering India's steel industry by direct and indirect policy stimuli that are expected to increase demand (multimillion-dollar NIP and fresh investment in power, railways, and water, coupled with renewed interest in the automobile sector) and reduced imports.

### **Outlook**

India's steel consumption growth is expected to rise over the medium to long term on account of government expenditure on infrastructure and fiscal stimulus to manufacturing industries. Further the country is looking to modernise, expand and accommodate the aspirations of a growing population where industrialisation, urbanisation and access to technology are the key pillars of the economic growth.

### **Segment-wise or Product wise Performance:**

Currently your Company is engaged only in one type of product and involves one type of process and it is called Engineering Product, so there is no segment wise or product wise performance available.

### **Risk and Concerns:**

The Companies engaged in production of stainless steel strips, tubes and pipes had faced major challenges due to slowdown in the growth of steel industry. The falling demand, low prices, cost escalation in inputs, reduction in import duty are some of the major threats to the sustainability of the Indian Steel Industry. Further reduction in import duty stimulated the import of steel from China and other countries manufacturers at low prices leading to decrease in demand of domestic goods.

### **Internal Control System and their Adequacy:**

Your Company has adequate internal control systems commensurate with its size and operations, although not documented. The Company regularly gets its accounts audited from internal auditor.

### **Financial Performance with respect to Operational Performance:**

The Company has produced 10187 MT of Cold Rolled Stainless Steel Strips and Stainless Steel Tubes & Pipes as compared to 11224 MT in the previous financial year while the Company has sold 10210 MT of Cold Rolled Stainless Steel Strips and Stainless Steel Tubes & Pipes as compared to 11230 MT in the previous financial year. The company has achieved turnover of Rs. 17784.34 Lacs as compared to previous year turnover of Rs. 20755.42 Lacs. During the year the company has achieved Profit after tax of Rs. 391.04 Lacs as compare to last year profit after tax of Rs. 532.54 Lacs . The reserve and surplus stood to Rs. 2205.32 Lacs. The earnings per share is Rs. 7.24 and book value of the share is Rs.50.84. The Board of Directors have proposed a dividend of Rs. 1/- per share (10%) for the financial year 2019-20.

### **Industrial Relations and Resource Management:**

The Company during the previous year continued its record of good industrial relations with its employees. During the year various initiatives had been taken to improve the performance and productivity levels in various

departments of the Company. The Company conducts training sessions on various topics ranging from safety, productivity, handling of hazardous products etc. that help to train employees to overcome operational constraints. The Company has its in house technical centre in the plant to train the new recruits before their placement that helps in optimum utilization of resources as well as maintaining quality standards. It also indulges into and implements various HR initiatives and activities including employee welfare, special rewards, performance review system and various employee motivation activities

**Cautionary Statement:**

Management Discussion and Analysis Report may be “forward looking statement” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon global and Indian demand-supply conditions, changes in government regulations, tax regimes, and economic developments within India and overseas.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020

**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214

## **Annexure H**

*Annual Report on Corporate Social Responsibility (CSR) activities in accordance with Rule 8 of the Companies (CSR Policy) Rules, 2014*

### **CSR policy of the company:**

#### **CSR Vision:**

The company's CSR efforts are directed towards achieving one or more of the following: - Enhancing environmental and natural capital, supporting rural development, promoting education, providing preventive healthcare, providing sanitation and drinking water, creating livelihoods for people, especially those from disadvantaged sections of society, in rural India.

#### **Constitution of the CSR Committee:**

The company has constituted a CSR committee of three directors. Sh. Shital Parshad Jain, Independent Director, is the Chairman of the committee, with Sh Sajjan Singh and Mrs Anubha Tayal as other members of the committee.

#### **CSR Projects, Programs and Activities:**

In accordance with this policy and, activities specified under the Companies Act, 2013 and any amendments thereof, the CSR activities of the company will have the following thrust areas:

- i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x) Rural development projects;
- xi) Slum area development;
- xii) Any other activities capturing the essence of the above mentioned areas.

**Net profit of the company for the preceding 3 years:**

<b>Financial Year</b>	<b>Net Profit (Rs. in lakhs)</b>
2018-19	730.76
2017-18	747.91
2016-17	389.57
<b>Total</b>	<b>1868.24</b>
<b>Average</b>	<b>622.75</b>

**Prescribed CSR Expenditure (2% of above Average Net Profits) – Rs 12.46 lakhs**

**Details of CSR spent during the financial year 2019-20:**

- Total amount to be spent during the financial year: Rs.12.46 lakhs
- Amount unspent, if any: NIL
- Manner in which the amount was spent during the financial year is detailed below:

<b>S. No</b>	<b>Sector in which the project is covered</b>	<b>Projects or programs ( Location)</b>	<b>Amount spent on the projects or program</b>	<b>Cumulative expenditure upto the reporting period</b>	<b>Amount spent direct or through implementing agency</b>
1	Promoting education	Hisar	4,00,000	4,00,000	Implementing Agency
2	Promoting health care including preventive health care	Chandigarh	5,00,000	5,00,000	Implementing Agency
3	Promoting health care including preventive health care --PM CARE FUND FOR COVID-19	-	2,25,000	2,25,000	Implementing Agency
	Promoting Animal Welfare	Hisar	1,25,000	1,25,000	Implementing Agency
			<b>TOTAL</b>	<b>12,50,000</b>	

**Reasons for not spending the prescribed CSR expenditure:**

-Not Applicable

**CSR Responsibility Statement:**

The CSR Committee of the Board hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

**For and on behalf of the Board of Directors**

**Date:** August 12, 2020  
**Place:** Hisar

(Abhiram Tayal)  
**Managing Director**  
DIN:00081453

(Karan Dev Tayal)  
**Whole-time Director**  
DIN:00181214

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HISAR METAL INDUSTRIES LIMITED

#### Report on the Audit of the Financial Statement

##### Opinion

We have audited the accompanying financial statements of Hisar Metal Industries Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of The Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the work during the year no such matter to be reported in this regard.

##### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of 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, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For ARUN NARESH & CO.**  
Chartered Accountants  
(Firm’s Registration No. 007127N)

**CA NARESH KUMAR AGGARWAL**  
Partner  
(Membership No.095376)

Hisar, June 30, 2020

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hisar Metal Industries Limited of even date)

**Report on the Internal Financial Controls Over Financial Reporting 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 **HISAR METAL INDUSTRIES LIMITED** (“the Company”) as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

**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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ARUN NARESH & CO.**  
Chartered Accountants  
(Firm's Registration No. 007127N)

**CA NARESH KUMAR AGGARWAL**  
Partner  
(Membership No.095376)  
Hisar, June 30, 2020

**ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hisar Metal Industries Limited of even date)**

1. In respect of the Company’s fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. In respect of Inventory
  - a. The management has conducted the physical verification of inventory at reasonable intervals. In our opinion the frequency is reasonable as per the nature of the business.
  - b. The procedures of physical verification of inventory 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 is maintaining proper records of inventory and no material discrepancies were noticed on verification of physical stock with the books of account.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central government under sub-section (1) of section 148 of the Companies Act, 2013, and are of the opinion that, prime facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt(instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **ARUN NARESH & CO.**  
Chartered Accountants  
(Firm's Registration No. 007127N)

**CA NARESH KUMAR AGGARWAL**  
Partner  
(Membership No.095376)

Hisar, June 30, 2020

**HISAR METAL INDUSTRIES LIMITED**  
BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
(1) <b>ASSETS</b>			
<b>Non-current ASSETS</b>			
(a) Property, Plant and Equipment	2	22,23,10,677	23,62,26,120
(b) Capital work-in-progress	2	-	-
(c) Intangible ASSETS	2	-	-
(d) Financial ASSETS			
(i) Investment	3	-	-
(ii) Loans		-	-
(iii) Other financial assets		-	-
(e) Other non-current assets	4	1,12,14,665	67,72,015
(2) <b>Current Assets</b>			
(a) Inventories	5	41,69,07,222	39,75,50,989
(b) Financial ASSETS			
(i) Investments		-	-
(ii) Trade receivables	6	28,81,63,311	40,10,83,170
(iii) Cash and cash equivalents	7	17,06,252	3,21,92,513
(iv) Bank balances other than (iii) above	7A	2,99,86,155	3,00,00,000
(v) Loans		-	-
(vi) Other financial assets		-	-
(c) Other current assets	8	3,26,02,661	4,13,51,012
<b>Total Assets</b>		<b>1,00,28,90,943</b>	<b>1,14,51,75,819</b>
<b>EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
a) Equity Share Capital	9	5,40,00,000	5,40,00,000
b) Other Equity	10	22,05,31,691	18,68,28,013
(2) <b>Liabilities</b>			
<b>Non-Current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	11	20,77,34,147	18,09,05,521
(ii) Other financial liabilities		-	-
b) Provisions	12	1,27,50,215	1,00,11,324
c) Deferred tax liabilities (Net)	13	1,45,98,494	1,62,97,024
d) Other non current liabilities		-	-
<b>Current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	14	41,38,52,229	43,98,49,603
(ii) Trade payables	15	4,50,68,560	21,07,99,604
(iii) Other financial liabilities	16	2,89,55,608	3,99,74,745
b) Other current liabilities		-	-
c) Provisions	17	54,00,000	65,09,986
<b>Total Equity &amp; Liabilities</b>		<b>1,00,28,90,943</b>	<b>1,14,51,75,819</b>

Notes referred to above and notes attached thereto form an integral part of Financial Statements  
This is the Balance Sheet referred to in our report of even date

For Arun Naresh & Co.  
Chartered Accountants  
Firm Reg. No.: 007127N

(CA. Naresh Kumar Aggarwal)  
PARTNER  
Membership No. : 095376

Place : Hisar  
Date : 30 June, 2020

For and on behalf of the Board of Directors

(Abhiram Tayal)  
Managing Director  
DIN:00081453

(R.S. Bansal)  
C.F.O.

(Karan Dev Tayal)  
Whole-time Director  
DIN:00181214

(Vishesh Kumar Chugh)  
GM (Finance) & Company Secretary

**HISAR METAL INDUSTRIES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

S.NO.	Particulars	Note No.	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
	<b>Revenue:</b>			
I	Revenue from operations	18	1,77,84,33,613	2,07,55,42,080
II	Other Income	19	26,79,457	1,22,15,369
III	<b>Total Income [I+II]</b>		<b>1,78,11,13,071</b>	<b>2,08,77,57,449</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	20	1,32,87,15,699	1,59,21,63,457
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-47,598	28,23,218
	Excise Duty on Sales			
	Employee Benefit Expense	22	6,19,89,552	6,15,37,133
	Finance Costs	23	5,17,56,743	4,91,64,718
	Depreciation and Amortization Expense	24	2,31,27,050	2,08,86,273
	Other Administrative Expenses			
	Manufacturing Expnses	25	23,31,85,365	25,66,62,984
	Administrative Expenses	25	3,15,54,574	3,29,63,496
	Selling Expenses	25	6,75,751	15,23,738
	<b>Total Expenses [IV]</b>		<b>1,73,09,57,136</b>	<b>2,01,77,25,017</b>
V	Profit / (Loss) from ordinary activities before Exceptional Items and Tax (III-IV)		<b>5,01,55,934</b>	<b>7,00,32,432</b>
VI	Exceptional Items		-	-
VII	Profit / (Loss) from ordinary activities before tax (V-VI)		<b>5,01,55,934</b>	<b>7,00,32,432</b>
VIII	<b>Tax expense:</b>			
	Current tax		1,27,50,787	1,74,49,899
	Previous Year Tax		-	-96,850
	Deferred tax		-16,98,530	-5,74,834
IX	Net Profit / Loss for the period (VII-VIII)		<b>3,91,03,677</b>	<b>5,32,54,217</b>
X	Other comprehensive income, net of tax			
	a) Items that will not be reclassified to profit or loss		-	-
	b) Items that will be reclassified to profit or loss		-	-
	Total other comprehensive income, net of tax (X)		-	-
XI	Total Comprehensive income (IX+X)		<b>3,91,03,677</b>	<b>5,32,54,217</b>
XII	<b>Earning per equity share:</b>			
	Basic		7.24	9.86
	Diluted		7.24	9.86

Notes referred to above and notes attached thereto form an integral part of Financial Statements  
This is the Statement of profit & loss referred to in our report of even date

For Arun Naresh & Co.  
Chartered Accountants  
Firm Reg. No.: 007127N

(CA. Naresh Kumar Aggarwal)  
PARTNER  
Membership No. : 095376

Place : Hisar  
Date : 30 June, 2020

(Abhiram Tayal)  
Managing Director  
DIN:00081453

(R.S. Bansal)  
C.F.O.

For and on behalf of the Board of Directors

(Karan Dev Tayal)  
Whole-time Director  
DIN:00181214

(Vishesh Kumar Chugh)  
GM (Finance) & Company Secretary

**HISAR METAL INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
<b>Cash flow from operating activities</b>		
<b>Profit before taxation</b>	<b>50155934</b>	<b>70032432</b>
Adjusted for :	-	
Bad Debts Written off	-	361058
Depreciation	23127050	20886273
Profit/Loss on disposal of property, plant & equipment	-	(217222)
Finance Costs (Net)	51756743	49164718
ADD:- Investment Written off	-	-
Operating profit before working capital changes	<b>125039727</b>	<b>140227259</b>
<b>Operating profit before following adjustments :</b>		
(Increase)/Decrease in inventories	(19356233)	(49983929)
(Increase)/Decrease in trade receivables	112919860	(16497228)
Increase/(Decrease) in Other Current Assets	10379320	4152433
Increase/(Decrease) in trade payables	(165731044)	53257724
Increase/(Decrease) in other Financial Liabilities	(11019137)	14668347
(Increase)/Decrease in Provisions	2738891	(4142486)
<b>Cash used in operations</b>	<b>54971383</b>	<b>141682120</b>
Income tax paid	(14381756)	(21324174)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>40589627</b>	<b>120357946</b>
<b>Cash flow from investing activities</b>		
Capital Expenditure	(9211607)	(35451845)
Proceeds from sale of fixed assets	-	600000
Movement in other non-current assets	(4442650)	3108441
<b>Net cash from/(used in) investing activities (B)</b>	<b>(13654257)</b>	<b>(31743404)</b>
<b>Cash flow from financing activities</b>		
Short term borrowing received from others	(25997374)	(89468208)
Long term borrowing taken (including current maturities)	26828626	66914950
Payment of dividend	(5400000)	(5400000)
Tax on dividend	(1109986)	(1109986)
Interest paid	(51756743)	(49164718)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(57435476)</b>	<b>(78227962)</b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>(30500106)</b>	<b>10386580</b>
<b>Cash and cash equivalents - opening balance</b>	<b>62192513</b>	<b>51805933</b>
<b>Cash and cash equivalents - closing balance</b>	<b>31692407</b>	<b>62192513</b>
Components of cash and cash equivalents		
Cash in hand	32542	573423
Gold & Silver Coins	33741	27834
Euro	25321	25,320.50
RNB Yuan	8060	9,757.00
Dollar	147615	164742
with bank:		
In current accounts	1458974	31391437
In fixed deposit accounts	29986155	30000000

Notes referred to above and notes attached thereto form an integral part of Financial Statements

This is the Cash Flow Statement referred to in our report of even date

For Arun Naresh & Co.  
Chartered Accountants  
Firm Reg. No.: 007127N

(CA. Naresh Kumar Aggarwal)  
PARTNER  
Membership No. : 095376

Place : Hisar  
Date : 30 June, 2020

(Abhiram Tayal)  
Managing Director  
DIN:00081453

(R.S. Bansal)  
C.F.O.

For and on behalf of the Board of Directors

(Karan Dev Tayal)  
Whole-time Director  
DIN:00181214

(Vishesh Kumar Chugh)  
GM (Finance) & Company Secretary



## HISAR METAL INDUSTRIES LIMITED

### STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL		Balance as at 01.04.2018	Changes in Equity Share Capital during the year	Balance as at 31.03.2019	Changes in Equity Share Capital	Balance as at 31.03.2020	
Particulars		5,40,00,000	-	5,40,00,000	-	5,40,00,000	
Equity Share Capital							
B. OTHER EQUITY		RESERVE AND SURPLUS					
Particulars		Retained Earnings	Securities Premium	General Reserves	Share Option Outstanding	Other Comprehensive Income Reserve	Total
<b>Balance as at 1<sup>st</sup> April, 2018</b>		<b>10,93,37,082</b>	-	3,07,46,700	-	-	14,00,83,782
Profit for the Year		5,32,54,217	-	-	-	-	5,32,54,217
Other Comprehensive Income		-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		<b>16,25,91,299</b>	-	<b>3,07,46,700</b>	-	-	<b>19,33,37,999</b>
<b>Transaction with owners in their capacity as owners:</b>							
Dividend Paid during the year		(54,00,000)	-	-	-	-	(54,00,000)
Tax on Dividend Paid		(11,09,986)	-	-	-	-	(11,09,986)
<b>Balance as at 31<sup>st</sup> March, 2019</b>		<b>15,60,81,313</b>	-	<b>3,07,46,700</b>	-	-	<b>18,68,28,013</b>
<b>Balance as at 1<sup>st</sup> April, 2019</b>		<b>15,60,81,313</b>	-	<b>3,07,46,700</b>	-	-	<b>18,68,28,013</b>
Profit for the Year		3,91,03,677	-	-	-	-	3,91,03,677
Other Comprehensive Income		-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		<b>19,51,84,991</b>	-	<b>3,07,46,700</b>	-	-	<b>22,59,31,691</b>
<b>Transaction with owners in their capacity as owners:</b>							
Dividend Paid during the year		(54,00,000)	-	-	-	-	(54,00,000)
<b>Balance as at 31<sup>st</sup> March, 2020</b>		<b>18,97,84,991</b>	-	<b>3,07,46,700</b>	-	-	<b>22,05,31,691</b>

## **HISAR METAL INDUSTRIES LIMITED**

**Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020**

### **Note: 1 Nature of Business Operations:**

Hisar Metal Industries Limited (hereinafter referred to as ‘the company’) is a manufacturer of Cold Rolling Strips and Pipe. The company is incorporated and domiciled in India. The address of its registered office is Near IDC Road, Hisar. The company is listed in both BSE Ltd. (Bombay Stock Exchange) and NSE Ltd. (National Stock Exchange).

### **Note: 2 Accounting Policies**

#### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- i) The standalone financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”), the provisions of the Companies Act, 2013 (“the Companies Act”), as applicable and guidelines issued by the Securities and Exchange Board of India (“SEBI”). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- ii) The Financial Statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts.
- iii) All amounts included in the financial statements are reported in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/ re-arranged, wherever necessary.

#### **2.2 USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian Accounting Standards requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes and estimates are made as Management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **2.3 PROPERTY, PLANT AND EQUIPMENT**

##### **i) Tangible assets**

Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

##### **ii) Depreciation**

Depreciation on Property, Plant and Equipment is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used. The residual value are not more than 5% of the original cost of the Asset. The Asset residual value, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of addition or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

**iii) Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

The amortisation of the intangible assets with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortised intangible are reviewed and where appropriate are adjusted, annually.

**iv) Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset 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 period is reversed if there has been a change in the estimate of recoverable amount.

**2.4 INVESTMENTS**

Property that are held for long term rental yields or for Capital Appreciation or both is classified as Investment Property. Investment Property is measured at its cost, including related transaction cost and where applicable borrowing costs. Current investments are carried at lower of cost or quoted/fair value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**2.5 VALUATION OF INVENTORIES**

Items of Inventories are measured at lower of cost or net realisable value after providing for obsolescence , if any, except in case of by-products which are valued at the net realisable value. Cost of inventories comprises of all costs of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, store and spares, packing materials, trading and other products are determined on the basis of valuation of the finished goods as per the provisions so applicable according to IND AS-2

**i) Raw Material, Components, stores and spares**

Raw Material, Components, stores and spares are valued at cost, as per the provision of IND-AS-2.

**ii) Work-in-Progress and Finished Goods**

Work-in-Progress is valued at lower of cost and net realizable value. Cost include direct materials and labour and a proportion of manufacturing overhead based on normal operating capacity.

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

**2.6 REVENUE RECOGNITION**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and Services Tax. Revenue is recognised either in time or point of time, when (or as) the Company satisfies performance obligations by transferring the goods or services to its customers. The company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as mentioned in Statement of Profit & Loss.

**i) Sale of Goods**

Revenue from sale of coils and pipe is recognised at the point of dispatch of the finished goods to the customers against invoice. The company collects Goods & Service Tax on behalf of the government and therefore these are not economic benefits flowing to the companies, hence, they are excluded from the revenues.

**ii) Export Benefits**

Export Benefits constituting import duty benefits under Duty Draw Back are accounted for on accrual basis. The same is recognised in the books of accounts in the year in which the right to receive the duty draw back credit as per the terms of the scheme is established in respect of the export made.

**iii) Dividends**

Dividend Income is recognised when the right to receive payment is established.

**iv) Interest Income**

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**v) Insurance Claims**

Claims receivable on account of insurance are accounted for on accrual basis

**2.7 FOREIGN EXCHANGE TRANSACTION**

Transactions denominated in foreign currencies are translated into functional currency using the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In the case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract .

Non -monetary foreign currency items are carried at cost.

In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities are restated at the year end rates.

Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss, except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

**2.8 BORROWING COSTS**

Borrowing cost attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing Cost consist of Interest, Other Cost that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

**2.9 EMPLOYEE BENEFITS**

**i) POST EMPLOYMENT BENEFITS**

● Defined Contribution Plan:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

● Defined benefit and other Long term Benefit plan:

The liability in respect of defined benefit plan and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefits is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

**ii) SHORT TERM EMPLOYEE BENEFITS**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

**2.10 TAXATION**

Income Tax comprised of Current, Deferred Taxes and Mat Credit.

**i) Current Income Tax**

Current Income Tax for the current and prior periods are measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

**ii) Deferred Income Tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**iii) MAT Credit**

MAT Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in Guidance Notes issued by the ICAI, the said asset is created by way of a credit to the statement of profit & loss and shown as MAT Credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**2.11 ACCOUNTING FOR DERIVATIVE INSTRUMENT**

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in the Statement of Profit and Loss except in case where they relate to the acquisition or construction of Fixed Assets, in which case, adjusted to the carrying cost of such assets.

**2.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognised in the accounts, when there is a present obligation as a result of past event(s) and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are discounted to their present values, where the time value of money is material.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets are neither recognised nor disclosed in the financial statements.

**2.13 EARNING/(LOSS) PER SHARE**

Basic earnings/(Loss) per share are calculated by dividing the net profit/ (Loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings/(Loss) per share, the net profit/(Loss) for the year 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.

## HISAR METAL INDUSTRIES LIMITED

*Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020*

Note : 2 Property, Plant and Equipment

Particulars	Gross Block			Depreciation		Net Block				
	Value at the beginning	Addition during the year	Deduction during the year	Value as at 31 <sup>st</sup> March 2020	Value at the beginning	Addition during the year	Deduction during the year	Value as at 31 <sup>st</sup> March 2020	WDV as on 31.03.2020	WDV as on 31.03.2019
<b>Property, Plant and Equipment</b>										
Land	98,06,840	-	-	98,06,840	-	-	-	-	98,06,840	98,06,840
Industrial Plot	1,21,50,563	-	-	1,21,50,563	-	-	-	-	1,21,50,563	1,21,50,563
Shed & Building	3,67,98,846	-	-	3,67,98,846	1,27,73,553	11,40,610	-	1,39,14,163	2,28,84,683	2,40,25,293
Delhi Office	37,10,000	-	-	37,10,000	6,94,150	56,062	-	7,50,212	29,59,788	30,15,850
Plant & Machinery	43,00,94,976	89,26,516	-	43,90,21,492	26,65,07,117	1,82,85,579,00	-	28,47,92,696	15,42,28,796	16,35,87,859
Generator	1,10,01,379	-	-	1,10,01,379	1,08,20,672	-	-	1,08,20,672	1,80,707	1,80,707
<b>Vehicles</b>										
CAR	2,69,67,480	-	-	2,69,67,480	52,82,038	31,88,580	-	84,70,618	1,84,96,862	2,16,85,442
Motor Cycle	5,22,375	70,690	-	5,93,065	1,36,383	56,285	-	1,92,668	4,00,397	3,85,992
Furniture & Fixtures	12,82,486	12,000	-	12,94,486	9,97,507	92,484	-	10,89,991	2,04,495	2,84,979
Office Equipment	27,55,430	1,41,901	-	28,97,331	20,14,253	2,12,273	-	22,26,526	6,70,805	7,41,177
Computer	47,63,009	60,500	-	48,23,509	44,01,591	95,177	-	44,96,768	3,26,741	3,61,418
<b>SUB TOTAL A</b>	53,98,53,384	92,11,607	-	54,90,64,991	30,36,27,264	2,31,27,050	-	32,67,54,314	22,23,10,677	23,62,26,120
<b>Capital Work-in-progress</b>										
Plant and Machinery	-	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL B</b>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	53,98,53,384	92,11,607	-	54,90,64,991	30,36,27,264	2,31,27,050	-	32,67,54,314	22,23,10,677	23,62,26,120
<b>(Previous Year)</b>	51,20,57,095	6,07,73,553	3,29,77,264	53,98,53,384	29,00,13,769	2,08,86,273	72,72,778	30,36,27,264	23,62,26,120	22,20,43,326

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 3 Investment**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Investment</b>	-	-
Total	-	-

**Note : 4 Other non-current financial assets**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Unsecured, Considered Good :</b>		
Security Deposit	1,12,14,665	67,72,015
Total	1,12,14,665	67,72,015

In relation to the security deposit, deposit for Rs. 1,05,99,255.00 is under Electricity department for which interest @ 6.25% p.a is being received by the company.

Balance deposits are deposit as per the agreement made with them by company for which no interest is being honoured to company

**Note : 5 Inventories**

Particulars	As at 31st March 2020	As at 31st March 2019
Raw Material	33,55,41,345	32,37,61,267
Finished Goods	1,22,53,248	1,22,05,650
Stores & Spares	6,91,12,629	6,15,84,072
Total	41,69,07,222	39,75,50,989

**Note : 6 Trade Recievables**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Unsecured, Considered Good :</b>		
Outstanding for more than six months	1,15,95,161	1,14,79,957
Others	27,65,68,150	38,96,03,214
Total	28,81,63,311	40,10,83,170

**Note : 7 Cash & cash equivalents**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Cash &amp; Cash Equivalent</b>		
Cash Balance	32,542	5,73,423
Bank Balances in Current accounts	10,36,976	3,10,00,544
Silver Coins	33,741	27,834
RNB Yuan	8060	9,757
Euro	25,321	25,321
Dollar	1,47,615	1,64,742
Bank Balance Representing Unclaimed Dividend	4,21,998	3,90,893
Total	17,06,252	3,21,92,513

**Note : 7A Bank Balances**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Other Bank Balances</b>	2,99,86,155	3,00,00,000
Balance with Banks in Fixed Deposit Account (Maturity more than three months but less than twelve months 30000000)*		
Total	2,99,86,155	3,00,00,000

\* Fixed deposit held as margin by the bank for and are not available for use by the company.

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 8 Other current assets**

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Others</b>				
(Unsecured considered good)				
Insurance Claim Receivable		40,26,290		40,26,290
Balance With Revenue Authorities (Indirect Taxes)		65,81,658		1,46,24,401
Advance against machinery		6,25,184		10,29,216
Advance to Supplier		43,74,597		26,37,689
Prepaid Expenses		39,70,505		35,94,776
Balance with GST Credit Ledger		35,13,721		17,44,343
Others		95,10,707		1,63,31,987
<b>Total</b>		<b>3,26,02,661</b>		<b>4,13,51,012</b>

**Note : 9 Equity Share Capital**

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>AUTHORIZED CAPITAL</b>				
Equity Shares of Rs. 10/- each.	60,00,000	6,00,00,000	60,00,000	6,00,00,000
	<u>60,00,000</u>	<u>6,00,00,000</u>	<u>60,00,000</u>	<u>6,00,00,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>				
Equity Shares of Rs. 10/- each Fully Paid up	54,00,000	5,40,00,000	54,00,000	5,40,00,000
<b>Total</b>	<b>54,00,000</b>	<b>5,40,00,000</b>	<b>54,00,000</b>	<b>5,40,00,000</b>

**(a) Reconciliation of Equity shares and amounts outstanding**

Particulars`	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the year	54,00,000	54,00,000	54,00,000	54,00,000
Issued during the year	-	-	-	-
At the end of the year	54,00,000	54,00,000	54,00,000	54,00,000

**(b) Terms/Rights attached to Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each equity shareholder is entitled for one vote per share. The Company declares and pay dividend in Indian Rupees.

During the year ended March 31, 2020, the amount of dividend recognised as distribution to equity shareholders was Rs. 1.00 per share (previous year Rs. 1.00 share)

The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

**(c) Details of shareholders holding more than 5% shares in the company**

Particulars`	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	%	No. of Shares	%
Sh Abhiram Tayal	3,90,330	7.23%	3,80,630	7.05%
Smt. Anubha Tayal	7,86,900	14.57%	7,86,900	14.57%



**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 10 Other Equity**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Securities Premium Reserve</b>		
As per last Balance Sheet		-
<b>General Reserve</b>		
As per last Balance Sheet	3,07,46,700	3,07,46,700
<b>Profit &amp; Loss Account</b>		
As per Last Balance Sheet	15,60,81,313	10,93,37,082
Add: Profit for the year	3,91,03,677	5,32,54,217
Less: Appropriations		
Proposed Dividend on Equity Shares	54,00,000	54,00,000
(Dividend per Share Re.1/- (Previous Year Re.1/-)		-
Tax on Dividend	-	11,09,986
	18,97,84,691	15,60,81,313
<b>Total</b>	<b>22,05,31,691</b>	<b>18,68,28,013</b>

**Note : 11 Borrowings**

Particulars	As at 31st March 2020		As at 31st March 2019	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
-Hdfc Bank Car Loan	-	11,96,981	16,01,753	14,99,076
-Hdfc Bank Car Loan II	4,38,590	2,06,375	-	-
-Hdfc Term Loan	1,54,83,705	35,58,299	-	-
-Pnb Car Loan A/c	-	-	77,201	2,72,004
-ICICI Bank Car Loan	-	-	-	5,49,200
-Yes Bank Ltd.	68,76,690	24,24,704	83,30,556	30,70,260
<b>Unsecured</b>				
-Corporate Loan	7,21,08,555	-	12,11,46,011	-
-Loans From Directors	11,28,26,607	-	4,97,50,000	-
<b>Total</b>	<b>20,77,34,147</b>	<b>73,86,359</b>	<b>18,09,05,521</b>	<b>53,90,540</b>

**Note : 12 Provisions**

Particulars	As at 31st March 2020	As at 31st March 2019
Gratuity	1,22,16,938	92,19,379
Leave Encashment	5,33,277	7,91,945
<b>Total</b>	<b>1,27,50,215</b>	<b>1,00,11,324</b>

**Note : 13 Deferred Tax Liability (Net)**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	1,95,44,618	2,13,55,908
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	49,46,124	50,58,884
<b>Total</b>	<b>1,45,98,494</b>	<b>1,62,97,024</b>

**Note : 14 Current Borrowings**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Secured</b>		
<b>Working Capital Loans From Banks</b>		
-Rupee Loans	15,73,12,143	19,04,69,528
-Pnb Bills Payable	-	24,93,80,075
-HDFC (BILLS PAYABLE)	14,24,28,519	-
-ICICI Bank Ltd ( Bills Payable)	11,41,11,567	-
<b>Total</b>	<b>41,38,52,229</b>	<b>43,98,49,603</b>

**Working Capital Loans from Banks (Current and Non Current)****Security**

Cash Credit of Rs.157312142.81 from HDFC Bank is secured against hypothecation of stock of finished goods, raw materials, work in progress, book debts, stores and spares and guaranteed by the directors.

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 15 Trade Payable**

Particulars	As at 31st March 2020	As at 31st March 2019
Micro, Small and Medium Enterprises	40,78,278	34,23,735
Others	4,09,90,282	20,73,75,869
<b>TOTAL</b>	<b>4,50,68,560</b>	<b>21,07,99,604</b>

The disclosure requirements under the Micro, Small and Medium Enterprises Development Act, 2006 in respect of the amount unpaid as at the year end together with interest paid/ payable under this Act is mentioned above.

**Note : 16 Other Financial Liabilities**

Particulars	As at 31st March 2020	As at 31st March 2019
Current maturities of long term debt ( Refer Note No. 11)	73,86,359	53,90,540
Unclaimed Dividends	4,21,998	3,90,893
Creditors for Capital Expenditure	7,83,427	8,24,980
Advance from Customers	56,52,893	1,02,77,795
Other Payables	1,47,10,931	2,30,90,537
<b>Total</b>	<b>2,89,55,608</b>	<b>3,99,74,745</b>

**Note : 17 Short Term Provisions**

Particulars	As at 31st March 2020	As at 31st March 2019
Proposed Dividend	54,00,000.00	54,00,000.00
Tax on Dividend	-	11,09,986.00
<b>Total</b>	<b>54,00,000.00</b>	<b>65,09,986.00</b>

**Note : 18 Revenue from Operations**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
Sale of Products		
-Cold Rolled Stainless Steel strips	1,56,35,36,844	1,84,09,81,955
-S. S. PIPES	16,64,94,289	16,77,67,780
-Store Sale	25,97,492	91,96,138
-Sale of Car	-	2,17,222
Sale of Services		
- Job Work Income	4,12,36,321	5,31,11,928
- Interest	45,68,666	42,67,056
<b>Total</b>	<b>1,77,84,33,613</b>	<b>2,07,55,42,080</b>

**Note : 19 Other Income**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
Miscellaneous Income		
-Exchange fluctuation	1,99,517	1,81,849
-Bad Debts written back	-	88,85,848
-Duty Draw Back	93,226	1,79,700
-Export Benefit 2%	1,11,576	12,11,294
-Others	22,75,138	17,56,678
<b>Total</b>	<b>26,79,457</b>	<b>1,22,15,369</b>

**Note : 20 Cost of Material Consumed**

Particulars	For the Year Ended March 31st, 2020		For the Year Ended March 31st, 2019	
	%	Amount	%	Amount
<b>Hot Rolled SS strips</b>				
Indigenous	97.57	1,29,64,67,629	98.74	1,57,20,86,761
Import	2.43	3,22,48,070	1.26	2,00,76,697
<b>Total</b>	<b>100</b>	<b>1,32,87,15,699</b>	<b>100</b>	<b>1,59,21,63,457</b>

**Note : 21 Change in Inventories**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
<b>Inventories (at close)</b>		
Finished Goods	1,22,53,248	1,22,05,650
<b>Inventories (at commencement)</b>		
Finished Goods	1,22,05,650	1,50,28,868
<b>Total</b>	<b>-47,598</b>	<b>28,23,218</b>

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 22 Employee Benefit Expenses**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
Salaries Wages and Bonus	5,17,76,181	4,95,75,303
Staff & Labour Welfare	20,87,069	26,05,430
Contribution to Provident & Other funds	47,88,687	56,85,741
Gratuity	30,22,107	31,73,176
Leave Encashment	3,15,508	4,97,483
Total	6,19,89,552	6,15,37,133

**Note :23 Finance Cost**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
Interest on :		
Long Term Loan	1,80,16,070	1,54,21,994
Short Term	1,12,67,620	1,23,09,781
Others	1,78,31,218	1,67,10,053
Bank Charges	46,41,834	47,22,889
Total	5,17,56,743	4,91,64,718

**Note : 24 Depreciation and Amortization Expense**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
Depreciation	2,31,27,050	2,08,86,273
Total	2,31,27,050	2,08,86,273

**Note : 25 Other Expenses**

Particulars	For the Year Ended March 31st, 2020	For the Year Ended March 31st, 2019
<b>(a) Manufacturing Expenses :</b>		
Stores and Spares	8,03,79,879	11,75,09,701
Power and Fuel	12,97,09,859	12,03,26,572
Chemical	1,43,69,689	1,03,03,042
Repair and Maintenance	57,44,543	61,70,435
Other Manufacturing Expenses	29,81,395	23,53,234
Total	23,31,85,365	25,66,62,984
<b>(b) Administrative Expenses</b>		
Lease Rent	15,00,000	15,00,000
Filing Fees	34,600	13,200
Legal & Professional Fees	12,77,805	18,24,543
Vehicle Upkeep & Maintenance	14,73,000	15,18,957
Repair and Maintenance	22,71,541	21,60,099
Cleaning & Maintenance Exp	2,29,980	2,17,180
Insurance	9,09,578	12,09,410
Postage, Telegram & Telephone	4,04,966	4,97,273
Travelling & Conveyance	8,93,943	14,56,770
Printing & Stationery	4,52,602	4,65,829
Auditor's Remuneration as:		
Statutory Audit Fees	2,60,000	2,60,000
Tax Audit Fees	90,000	90,000
Consultancy	50,000	50,000
Advertisement	1,24,001	5,22,221
Electricity Expenses	1,16,108	82,112
Fees & Subscription	11,78,250	12,59,602
Commission	20,79,522	-
Delhi Office Maintenance Expenses	3,65,129	3,91,214
Discount & Rebate	83,893	-
Donation	56,800	69,300
CSR Expenditure	12,50,000	8,10,000
Carriage Outward	1,56,67,751	1,76,11,967
Miscellaneous Expenses	7,85,105	9,53,819
Total	3,15,54,574	3,29,63,496

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***(c) Selling Expenses**

Export Sale Exp	1,76,463	5,04,420
Sale Promotion Expenses	4,99,288	1,95,385
Exhibition Rental Charges	-	4,62,875
Bad Debts	-	3,61,058
<b>Total</b>	<b>6,75,751</b>	<b>15,23,738</b>

**Note : 26 Disclosure as per IND AS-19 Retirement Benefits:****Post Retirement Employee Benefit:**

Description of Plan

Gratuity

Leave Encasement

Principal actuarial assumptions:

**i) Economic Assumptions**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Discounting Rate	6.80%	7.66%	6.80%	7.66%
b) Future Salary Increase	5.50%	5.50%	5.50%	5.50%
c) Expected Rate of return on plan assets	0.00	0.00	0.00	0.00

**ii) Balance Sheet and related analysis**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Present Value of the obligation at end	1,47,15,687	1,24,97,836	6,05,649	9,48,505
b) Fair value of plan assets	-	-	-	-
c) Unfunded Liability / provision in Balance Sheet	-1,47,15,687	-1,24,97,836	-6,05,649	-9,48,505

**iii) The amounts recognized in the income statement.**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Total Service Cost	15,74,418	14,70,238	1,13,513	2,17,148
b) Net Interest Cost	9,57,334	10,42,305	72,655	51,784
c) Net actuarial (gain) / loss recognized in the period	-	-	129,340	228,551
d) Expense recognized in the Income Statement	25,31,752	25,12,543	3,15,508	4,97,483

**iv) Other Comprehensive Income (OCI)**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Net cumulative unrecognized actuarial gain/ (loss) opening	-	-	-	-
b) Actuarial gain / (loss) for the year on PBO	-4,90,355	-6,60,633	-	-
c) Actuarial gain / (loss) for the year on Asset	-	-	-	-
d) Unrecognized actuarial gain / (loss) for the year	-4,90,355	-6,60,633	-	-

**v) Change in Benefit Obligation**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Present value of obligation as at the beginning of the period	1,24,97,836	1,34,83,897	9,48,505	6,69,913
b) Acquisition adjustment	-	-	-	-
c) Interest Cost	9,57,334	10,42,305	72,655	51,784
d) Service Cost	15,74,418	14,70,238	1,13,513	2,17,148
e) Past Service Cost including curtailment Gains /Losses	-	-	-	-
f) Benefits paid	-8,04,256	-41,59,237	-6,58,364	-2,18,891
g) Total Actuarial (Gain) / Loss on Obligation	4,90,355	6,60,633	1,29,340	2,28,551
h) Present value of obligation as at the End of the period	1,47,15,687	1,24,97,836	6,05,649	9,48,505

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***vi) Change in Net Defined Benefit Obligation**

Particulars	Gratuity		Leave Encashment	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
a) Net Defined benefit liability at the start of the period	1,24,97,836	1,34,83,897	9,48,505	6,69,913
b) Acquisition adjustment	-	-	-	-
c) Total Service Cost	15,74,418	14,70,238	1,13,513	2,17,148
d) Net Interest cost (Income)	9,57,334	10,42,305	72,655	51,784
e) Re-measurements	4,90,355	6,60,633	1,29,340	2,28,551
f) Contribution paid to the Fund				
g) Benefit paid directly by the enterprise	-8,04,256	-41,59,237	-6,58,364	-2,18,891
h) Net Defined benefit liability at the end of the period	1,47,15,687	1,24,97,836	6,05,649	9,48,505

**Note : 27 Disclosure as per Indian Accounting Standard-24 on Related Party Disclosures****(i) Name of the associates with whom transactions were carried out during the year.****Associate Concerns**

1	Jindal Polybutton Private Limited	CIN: U18101HR1992PTC031543
2	Jindal Metal Private Limited	CIN: U28113HR1980PLC010992
3	Amtrex Trading Co. Private Limited	CIN: U51909HR1999PTC034218
4	Ravindra Tubes Private Limited	CIN: U74999HR1973PTC006965

**Name of the key management personnel and their relatives with whom transactions were carried out during the year****(ii) Key management personnel & their relatives:**

1	Sh. Mahabir Parsad Jindal	Chairman
2	Sh. Abhiram Tayal	Managing Director
3	Smt. Anubha Tayal	Director
4	Sh. Karan Dev Tayal	Whole-time Director
5	Sh. Radhey Shayam Bansal	C.F.O.
7	Sh. Vishesh Kumar Chugh	GM (Finance) & Company Secretary

**(iii) Transactions with the related parties**

Particulars	Nature of relationship	Name of the related party	31st March 2020	31st March 2019	
Managerial Remuneration	KMP	Sh. Abhiram Tayal	15,21,600	15,21,600	
		Sh. Karan Dev Tayal	15,21,600	15,21,600	
		Sh. Radhey Shyam Bansal	11,64,277	10,51,200	
		Sh. Vishesh Kumar Chugh	12,55,569	12,10,800	
Interest Paid	Associate Concern	Amtrex Trading Co. Pvt. Ltd	11,02,370	9,94,919	
	Associate Concern	Ravindra Tubes Private Limited	80,959	-	
	KMP	Sh. Mahabir Parsad Jindal	44,26,230	39,43,562	
		Sh. Abhiram Tayal	8,18,507	8,07,000	
Rent Paid	Associate Concern	Smt. Anubha Tayal	3,63,000	3,63,000	
		Sh. Karan Dev Tayal	6,02,466	6,00,000	
		Jindal Metal Private Limited	15,00,000	15,00,000	
		Ravindra Tubes Private Limited	1,96,045	-	
Purchase	Associate Concern	Jindal Polybutton Private Limited	30,772	7,081	
Job Work	Associate Concern	Amtrex Trading Co. Pvt. Ltd.	1,01,78,555	91,86,422	
		KMP	Sh. Abhiram Tayal	74,51,300	67,25,000
		Smt. Anubha Tayal	33,51,700	30,25,000	
		Sh. Mahabir Parsad Jindal	9,64,83,607	3,50,00,000	
Payable to:	KMP	Sh. Karan Dev Tayal	55,40,000	50,00,000	

**Note : 28 CIF Value of Imports**

Particulars	31st March 2020	31st March 2019
Raw materials	3,12,52,499	1,83,41,727
Machinery	51,15,400	18,20,603
Stores & Spares	97,77,725	1,86,96,093

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements for the Year Ended 31st March 2020***Note : 29 Earnings in foreign exchange**

Particulars	31st March 2020	31st March 2019
FOB value of exports	55,14,457	1,02,39,774

**Note: 30 Expenditure in foreign currency**

Particulars	31st March 2020	31st March 2019
Travel Expenses	18,824	1,45,600

**Note : 31 Earnings per share**

The following represents profit and share data used in the basic and diluted EPS computations

Particulars	31st March 2020	31st March 2019
Profit for computation of Basic EPS	3,91,03,677	5,32,54,217
Add:/(Less) adjustment	-	-
Profit for computation of Diluted EPS	3,91,03,677	5,32,54,217
Weighted average number of equity shares in calculating Basic EPS	54,00,000	54,00,000
Add:/(Less) adjustment	-	-
Weighted average number of equity shares in calculating Diluted EPS	54,00,000	54,00,000

**Note: 32 Commitments and Contingencies**

Particulars	31st March 2020	31st March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	1,27,5000	-
Counter guarantees issued to the bank for the bank guarantee obtained	3,50,000	3,50,000
Cheques/Bills/LCs/FLCs discounted with Company's Banker	1,27,57,480	2,17,59,974
Sales tax related matter	4,81,65,670	4,63,41,157

Haryana Government had imposed a levy namely Local Area Development Tax in the year 2007. However, the matter is pending in the Supreme Court.

**Note : 33 Previous Year Figures**

Previous year figure are regrouped, wherever necessary. Current year balance sheet derived after taking all Ind (AS) into consideration.

*Notes referred to above and notes attached thereto form an integral part of Financial Statements*

**For Arun Naresh & Co.**  
Chartered Accountants  
Firm Reg. No.: 007127N

(CA. Naresh Kumar Aggarwal)  
PARTNER  
Membership No. : 095376

Place : Hisar  
Date : 30 June 2020

(Abhiram Tayal)  
Managing Director  
DIN:00081453

(R.S. Bansal)  
C.F.O.

**For and on behalf of the Board of Directors**

(Karan Dev Tayal)  
Whole-time Director  
DIN:00181214

(Vishesh Kumar Chugh)  
GM (Finance) & Company Secretary









## HISAR METAL INDUSTRIES LIMITED

REGISTERD OFFICE: NEAR INDUSTRIAL DEVELOPMENT COLONY  
DELHI ROAD, HISAR – 125005, HARYANA, INDIA  
Ph: 01662-220067, 220367, 220738 Fax: 01662-220265  
E-mail: [vcchugh@hisarmetal.com](mailto:vcchugh@hisarmetal.com) Website: [www.hisarmetal.com](http://www.hisarmetal.com)

CIN: L74899HR1990PLC030937

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_  
Registered Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Folio No. / Client ID: \_\_\_\_\_  
DP ID: \_\_\_\_\_

I/ We, being the member(s) holding... shares of the Hisar Metal Industries Limited, hereby appoint:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Or failing him/her

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Or failing him/her

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me /us and my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, September 29, 2020 at 9:00 A.M. at its registered office at near IDC, Delhi Road, Hisar-125005, (Haryana) and at any adjournment thereof in respect of such resolutions as indicated below:

S. No.	Resolutions to be passed in the meeting	For	Against
1.	Adoption of Audited Financial Statement for the year ended 31st March 2020 together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Declaration of dividend		
3.	Appointment of Director in place of Mr Karan Dev Tayal (DIN-00181214), who retires by rotation and being eligible, offer himself for re-appointment.		

4.	Ratification of Cost Auditors' remuneration.		
5.	Re-appointment of Mr. Abhiram Tayal (DIN 00081453) as Managing Director of the Company ( <b>Special Resolution</b> )		
6.	Re-appointment of Mr. Karan Dev Tayal (DIN 00181214) as Whole Time Director of the Company ( <b>Special Resolution</b> )		

Signed this ..... day of ..... 2020

.....  
(Signature of Proxy holder)

.....  
(Signature of Shareholder)

Affix Revenue Stamp Re. 1/-
--------------------------------------

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**



**HISAR METAL INDUSTRIES LIMITED**

REGISTERD OFFICE: NEAR INDUSTRIAL DEVELOPMENT COLONY  
 DELHI ROAD, HISAR – 125005, HARYANA, INDIA  
 Ph: 01662-220067, 220367, 220738 Fax: 01662-220265  
 E-mail: [vchugh@hisarmetal.com](mailto:vchugh@hisarmetal.com) Website: [www.hisarmetal.com](http://www.hisarmetal.com)

**CIN: L74899HR1990PLC030937**

**ATTENDANCE SLIP**

(Please complete this slip and hand it over at the entrance of the Meeting Hall)

I/We, hereby record my/our presence at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, September 29, 2020 at 9:00 A.M. at its registered office at near IDC, Delhi Road, Hisar-125 005, (Haryana).

Name of the shareholder/proxy\*.....

Address .....

No. of shares held .....Folio No. ....

\*(Strike out whichever is Not Applicable)

.....  
(Signature of the Shareholder/Proxy)



If undelivered please return to :  
**HISAR METAL INDUSTRIES LIMITED**  
Near Industrial Development Colony  
Delhi Road, Hisar-125 005  
(Haryana), INDIA