

# CORPORATE GOVERNANCE REPORT

## GOVERNANCE PHILOSOPHY

The Aditya Birla Group is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices are a product of self-desire reflecting the culture of the trusteeship i.e., deeply ingrained in our value system and reflected in our strategic thought process. At a macro level, our governance philosophy rests on five basic tenets viz., Board accountability to the Company and the shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosures.

In line with this philosophy, Hindalco Industries Limited (the Company), flagship Company of the Aditya Birla Group, is striving for excellence through adoption of best governance and disclosure practices. The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance with various Corporate Governance Codes.

### Compliance with Corporate Governance Guidelines

The Company is fully compliant with the requirements under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, and amendment thereto hereinafter referred to the "Listing Regulations". Your Company's compliance with these

requirements is presented in the subsequent sections of this report.

## BOARD OF DIRECTORS

### Composition of the Board

Your Company's Board comprises of 10 Non-Executive Directors as on March 31, 2020 with considerable experience in their respective fields. Of these, 6 Directors are Independent Directors which includes one woman director.

None of the Directors on the Board is a Member of more than 10 Committees or a Chairman of more than 5 Committee (as specified in Regulation 26 of Listing Regulations), across all the Companies in which they hold Directorships. Further, none of the Non-Executive Directors serve as Independent Directors in more than seven listed companies and none of the Executive or Whole-time Directors serve as Independent Directors on any listed Company. All the Directors have periodically intimated about their Directorship and Membership in the various Boards / Committees of other companies. The same is within permissible limits as provided by the Companies Act, 2013 and Listing Regulations.

The details of the Directors with regard to outside directorships and committee positions as at March 31, 2020 are as follows:

Director <sup>f</sup>	Category	No. Of other Directorships Held <sup>e</sup>	No. of outside Companies Committee Positions Held <sup>e</sup>		Name of Outside Listed Entity where the person is a Director	Category of Directorship in outside Listed Entities
		Public	Member	Chairman		
Mr. Kumar Mangalam Birla <sup>7,8</sup> [DIN: 00012813]	Non-Executive Chairman	08	-	-	1. Grasim Industries Limited 2. UltraTech Cement Limited 3. Vodafone Idea Limited 4. Century Textiles and Industries Limited 5. Aditya Birla Capital Limited	Non-Executive Chairman Non-Executive Chairman Non-Executive Chairman Non-Executive Chairman Non-Executive Chairman
Mrs. Rajashree Birla <sup>7,8</sup> [DIN: 00022995]	Non-Executive	06	-	-	1. Grasim Industries Limited 2. UltraTech Cement Limited 3. Pilani Investment and Industries Corporation Limited 4. Century Textiles and Industries Limited 5. Century Enka Limited	Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Mr. A. K. Agarwala <sup>2</sup> [DIN: 00023684]	Non-Executive	05	-	-	1. Tanfac Industries Limited	Non-Executive Director
Mr. D. Bhattacharya [DIN: 00033553]	Non-Executive Director	02	03	-	1. Vodafone Idea Limited 2. NOCIL Limited	Non-Executive Director Independent Director

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REPORTS

FINANCIAL  
STATEMENTS

Director <sup>f</sup>	Category	No. Of other Directorships Held <sup>5</sup>		No. of outside Companies Committee Positions Held <sup>6</sup>		Name of Outside Listed Entity where the person is a Director	Category of Directorship in outside Listed Entities
		Public	Member	Chairman			
Mr. K. N. Bhandari <sup>1</sup> [DIN: 00026078]	Independent <sup>1</sup>	08	04	03		1. Jaiprakash Associates Limited 2. Gujarat Sidhee Cement Limited 3. Saurashtra Cement Limited 4. Jaiprakash Power Ventures Limited 5. Shristi Infrastructure Developments Corporation Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
Mrs. Alka Bharucha <sup>1</sup> [DIN: 00114067]	Independent <sup>1</sup>	08	05	03		1. UltraTech Cement Limited 2. Orient Electric Limited 3. Honda Siel Power Products Limited 4. Birlasoft Limited	Independent Director Independent Director Independent Director Independent Director
Mr. Ram Charan <sup>1</sup> [DIN: 03464530]	Independent <sup>1</sup>	01	-	-	-	-	-
Mr. Y. P. Dandiwala <sup>1</sup> [DIN: 01055000]	Independent <sup>1</sup>	03	02	01		1. Century Textile and Industries Limited 2. Pilani Investment and Industries Corporation Limited	Independent Director Independent Director
Mr. Satish Pai [DIN: 06646758]	Managing Director	-	-	-	-	-	-
Mr. Praveen Kumar Maheshwari [DIN: 00174361]	Whole-time Director	01	-	-	-	-	-
Dr. Vikas Balia <sup>1,3</sup> [DIN: 00424524]	Independent <sup>1</sup>	01	-	-	-	-	-
Mr. Sudhir Mital <sup>1,4</sup> [DIN: 08314675]	Independent <sup>1</sup>	-	-	-	-	-	-

1. Independent Director means a director defined as such under Regulation 16 of the Listing Regulations and Section 149 of the Companies Act, 2013.
2. Mr. A. K. Agarwala was an Executive Director till September 10, 2003. Thereafter, he has moved to other responsibilities in the Aditya Birla Group.
3. Dr. Vikas Balia was appointed as an Independent Director w.e.f July 19, 2019.
4. Mr. Sudhir Mital was appointed as an Independent Director w.e.f November 11, 2019.
5. Excludes Directorship held in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
6. Represents only membership/chairmanship of Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies.
7. No other Director is related to any other Director on the Board except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla who are son and mother respectively.
8. Mr. Kumar Mangalam Birla and Smt. Rajashree Birla belong to the Promoter group of the Company.
9. Mr. M M Bhagat (DIN: 00006245) has ceased to be an Independent Director w.e.f August 30, 2019 due to old age.
10. Mr. Girish Dave (DIN: 00036455) has resigned as Independent Director w.e.f. November 11, 2019 due to age and personal reasons.

<sup>f</sup>The average tenure of the Board as on 31<sup>st</sup> March, 2020 is approximately 10 years.

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### Board's functioning and Procedure

Hindalco's Board of Directors plays a primary role in ensuring good governance and functioning of the Company. All statutory and other significant & material information including information as mentioned in Regulation 17 (7) read together with Schedule II of Listing Regulations is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

### Your Company's Board of Directors have identified the following skills / expertise / competencies to function and discharge their responsibilities effectively:

- Industry knowledge
- Innovation
- Financial Literacy
- Corporate Governance
- Strategic Expertise
- Marketing
- Legal and Compliance
- Sustainability
- Risk Management
- Human Development
- General Management
- Metals and Mining

	Industry Knowledge	Innovation	Financial Literacy	Corporate Governance	Strategic Experience	Marketing	Legal & Compliance	Sustainability	Risk Management	Human Development	General Management	Metals and Mining
K M Birla	√	√	√	√	√			√	√	√	√	√
Rajashree Birla	√			√				√			√	
Satish Pai	√	√	√	√	√	√	√	√	√	√	√	√
D. Bhattacharya	√	√	√	√	√	√	√	√	√	√	√	√
P K Maheshwari	√	√	√	√	√		√	√	√	√	√	√
A K Agarwala	√	√	√	√	√	√	√	√	√	√	√	√
K N Bhandari	√		√	√	√		√		√	√	√	√
Ram Charan	√	√	√		√	√		√	√	√	√	
Y P Dandiwala	√		√	√	√		√	√	√		√	
Alka Bharucha	√		√	√	√		√	√	√		√	
Vikas Balia	√	√	√	√	√		√		√		√	
Sudhir Mital	√		√	√	√		√	√		√	√	

### Board members collectively display the following personal qualities:

- *Integrity* – fulfilling a director's duties and responsibilities;
- *Curiosity and courage* – to ask questions and courage to persist in asking or challenging management and fellow board members where necessary;
- *Interpersonal skills* – work well in a group, listen well, be tactful, able to communicate point of view frankly;
- *Interest* – in the organization, its business and the people;
- *Instinct* – good business instincts and acumen, ability to get to the crux of the issue quickly;
- Believer in gender diversity; and
- *Active participation* – at deliberations in the meeting.

Your Company's Board comprises of an equal number of Independent and Non-Independent Directors. The Directors are professionals, possessing wide experience and expertise in their areas of function - strategy; finance; governance and legal; marketing, insurance, among others, which together with their collective wisdom fuel your Company's growth. With one-sixth of the Board comprising of woman directors, the Board reflects gender diversity.

## A brief profile of the Directors of your Company is as follows:

**Kumar Mangalam Birla** was appointed as a Non-Executive Chairman of our Company with effect from October 19, 1995. He is the Chairman of the \$48.3 billion multinational Aditya Birla Group, which operates in 36 countries across six continents. He is a Chartered Accountant and holds an MBA degree from the London Business School. Mr. Birla chairs the Boards of all major Group companies in India and globally - Novelis, Columbian Chemicals, Aditya Birla Minerals, Aditya Birla Chemicals, Thai Carbon Black, Alexandria Carbon Black, Domsjö Fabriker and Terrace Bay Pulp Mill. In India, apart from chairing your Company's Board, he also chairs the Boards of UltraTech Cement Limited, Grasim Industries Limited, Aditya Birla Capital Limited and Vodafone Idea Limited. In over two decades, that he has been at the helm of the Group, he has accelerated growth, built meritocracy and enhanced stakeholder value. In the process he has raised the Group's turnover from \$2 billion in 1995, to over \$48 billion today. He has been the architect of over 40 acquisitions by the group in 20 years in India and globally, the highest by an Indian multinational in India. Under his stewardship, the Aditya Birla Group enjoys a position of leadership in all the major sectors in which it operates. Over the years, Mr. Birla has built a highly successful meritocratic organisation, anchored by an extraordinary force of 120,000 employees belonging to 42 different nationalities. Outside the Group, Mr. Birla has held several key positions on various regulatory and professional Boards. He was a Director on the Central Board of the Reserve Bank of India. He was Chairman of the Advisory Committee constituted by the Ministry of Company Affairs and also served on The Prime Minister of India's Advisory Council on Trade and Industry. As the Chairman of Securities and Exchange Board of India (SEBI) Committee on Corporate Governance, he authored the First Report on Corporate Governance titled "Report of the Kumar Mangalam Birla Committee on Corporate Governance". Mr. Birla also served as Chairman of SEBI's committee on Insider Trading, which formulated Corporate Governance principles for Indian corporates. Mr. Birla is deeply engaged with Educational Institutions. He is the Chancellor of the Birla Institute of Technology & Science (BITS) with campuses in Pilani, Goa, Hyderabad and Dubai. He is also the Chairman of Indian Institute of Management, Ahmedabad. On the global arena, Mr. Birla serves on the London Business School's Asia Pacific Advisory Board and is an Honorary Fellow of the London Business School. A firm practitioner of the trusteeship concept, Mr. Birla has institutionalised the concept of caring and giving at the Aditya Birla Group. With his mandate, the Group is involved in meaningful welfare driven activities that distinctively impact the quality of life of weaker sections of society.

**Rajashree Birla** is a Non-Executive Director and was appointed on the Board of Directors on March 15, 1996. She is an exemplar in the area of community initiatives and

rural development. Mrs. Birla spearheads the Aditya Birla Centre for Community Initiatives and Rural Development, the Group's apex body responsible for development projects. She oversees the Group's social and welfare driven work across 40 companies. The footprint of the Centre's work straddles over 5,000 villages, reaching out to 7.5 million people. Furthermore, Mrs. Birla is the Chairperson of the FICCI – Aditya Birla CSR Centre for Excellence, Habitat for Humanity (India) and is on the Board of the Asia Pacific Committee as well as Habitat's Global Committee. She is the Chairperson of FICCI's first ever Expert Committee on CSR. She serves on the Board of Director's CSR Committee of State Bank of India. She is Member on the Advisory Board of "The Research Society for the Care, Treatment and Training of Children in Need of Special Care", Mumbai, and of BAIF Development Research Foundation, Pune. As a patron of arts and culture, she heads the "Sangit Kala Kendra", a Centre for performing arts, as its President. In recognition of the exemplary work done by Mrs. Birla, leading national and international organizations have showered accolades upon her. Among these the most outstanding ones have been that of the Government of India's "Padma Bhushan" Award in 2011 in the area of "Social Work", The Economic Times "Corporate Citizen of the Year Award" twice over, in 2002 and 2012, besides the "Global Golden Peacock Award for CSR" presented by Dr. Ola Ullsten, the Former Prime Minister of Sweden in Portugal in 2010. The Institute of Directors (IOD) Distinguished Fellowship Award, and FICCI FLO's Lifetime Achievement Award, are among the many other distinctions received by her. Apart from your Company, Mrs. Birla is a Director on the Boards of Grasim Industries Limited and UltraTech Cement Limited. She is also on the Board of the Aditya Birla Group's international companies spanning Thailand, Indonesia, Philippines and Egypt.

**Debnarayan Bhattacharya** is a Non-Executive Director and the Vice Chairman of our Company with effect from July 31, 2016. He has experience in managing business operations. He joined the Aditya Birla Group in 1998 and has held several key positions within the Aditya Birla Group. He was appointed as Managing Director of the Company in the year 2003. He is qualified in Bachelor of Engineering (Chemicals) and IIT from Kharagpur.

**Askaran Agarwala** is a Non-Executive Director of our Company and was appointed on the Board in 1998. He is a Trustee of several organisations including Sarla Basant Birla Param Bhakti Trust, Aditya Vikram Birla Memorial Trust, The Aditya Birla Foundation, Ladsaria Charitable & Welfare Trust and Hellen Keller Institute of the Deaf and Blind. He holds a degree in Commerce and Law of Calcutta University and is fellow member of the Institute of Chartered Accountants of India.

**Mr. Sudhir Mital** is a Non-Executive Director and Independent Director of our Company with effect from November 11, 2019

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for a period of five years. He is a graduate from Allahabad University with a Master's degree in Indian History. He also holds additional Masters in Rural Development from the University of Birmingham. He has been a former member of the Indian Administrative Service from the Punjab Cadre, Secretary to Department of Fertilizers – Government of India, and Special Secretary to MCA. He was also a former acting Chairman of Competition Commission of India (CCI). Has rich professional experience in the fields of public policy and governance after nearly four decades of service. He has been a key functionary with regards to the Companies Bill, 2013.

**Kailash Nath Bhandari** is a Non-Executive and Independent Director on the Board of our Company. Prior to joining our Company, he has also served as the Chairman and Managing Director of the New India Assurance Company Limited. He holds a Bachelor's degree in Arts and Law.

**Ram Charan** is a Non-Executive and Independent Director of our Company. He holds the Bachelor of Engineering, MBA and Doctorate from Harvard Business School. He is a best-selling author having five books on Corporate Governance and Global Adviser to Senior business leaders and Board of Directors of various companies around the world. He has authored and co-authored books on corporate governance. Mr. Ram Charan has served on boards of several global Companies.

**Dr. Vikas Balia** is a Non-Executive Director and Independent Director of our Company with effect from July 19, 2019 for a period of five years, founder of Legalsphere Law firm is a rank holding Chartered Accountant and a lawyer and has a Master's degree in Mercantile Laws with doctoral research (Ph.D.) on Securitization Laws. He has varied and extensive experience on commercial and constitutional law. He is an adjunct faculty in many institutions and lectures for CA, Law and MBA students.

**Yazdi Dandiwal** is a Non-Executive Director and Independent Director of our Company with effect from August 14, 2015 for a period of five years. He is qualified as a Bachelor in Science and holds a degree in Law. He is Solicitor by profession. He is currently a partner of Mulla & Mulla and Craigie Blunt & Caroe, Advocates & Solicitors. He has experience as a corporate Commercial Lawyer with experience in corporate and commercial transactions.

**Alka Bharucha** is a Non-Executive Director and Independent Director of our Company with effect from July 11, 2018 for a period of five years. She earned her B.A (Hons) in 1976 and LLB in 1979 from University of Bombay, Masters in Law from the University of Bombay and University of London and is a Solicitor, High Court Mumbai and Supreme Court of England and Wales. She began her career with Mulla & Mulla & Craigie Blunt & Caroe, and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which, on inception, was ranked by

RSG Consulting, London among the top fifteen firms in India. Mrs. Bharucha has been ranked by Chambers Global, Legal 500 and Who's Who Legal amongst India's leading lawyers. She chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance.

**Satish Pai** was appointed as Whole-time Director on our Board since August 2013 and appointed as the Managing Director of our Company with effect from August 01, 2016 for a period of five years. He holds a Bachelor's degree in Mechanical Engineering from the Indian Institute of Technology, Madras. He has experience in areas such as operations, recruitment and training.

**Praveen Kumar Maheshwari** is currently working as the Chief Executive Officer of the Copper Business of Hindalco Industries Limited, an industry leader in Aluminium & Copper; and the metals flagship company of the Aditya Birla Group. He is also the Chief Financial Officer of the Company and is a Whole-time Director on its Board. Mr. Maheshwari, a Chartered Accountant with an MBA from IIM - Ahmedabad, has over 37 years of work experience. Prior to joining Hindalco Industries Limited he worked with Bharat Forge Limited as Group CFO & Executive Director - Finance.

### Board Meetings

The Company Secretary drafts the agenda for each meeting along with the explanatory notes. The Board meets at once a quarter to review the quarterly results and other items on the agenda. Various Board Committees meet as per the legal requirement or otherwise to transact the business delegated by Board of Directors.

The Companies Act 2013, read with the relevant rules made thereunder, facilitates the participation of Director in Board/Committee Meetings through video conferencing or other audio visual mode the option to participate in the meeting through video conferencing was made available for the Directors except in respect of such meetings/items which are not permitted to be transacted through video conferencing.

The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion. The details of Board Meetings held during FY 2019-2020 are as outlined below:

Date of Board Meeting	City	No. of Directors Present
May 16, 2019	Mumbai	08 out of 12
July 19, 2019	Mumbai	10 out of 12
August 09, 2019	Mumbai	10 out of 13
August 30, 2019	Mumbai	12 out of 13
November 11, 2019	Mumbai	09 out of 12
February 12, 2020	Mumbai	12 out of 12

The details of attendance of each Director at the Board Meetings and Last Annual General Meeting (AGM) are as follows:

Name of Director <sup>#</sup>	No. of Board Meetings		Attended Last AGM <sup>®</sup>
	Held	Attended	
Mr. Kumar Mangalam Birla	06	05	Yes
Mrs. Rajashree Birla	06	03	Yes
Mr. A. K. Agarwala	06	05	Yes
Mr. D. Bhattacharya	06	06	Yes
Mr. K. N. Bhandari	06	05	Yes
Mrs. Alka Bharucha	06	04	Yes
Mr. Ram Charan	06	02	No
Mr. Y. P. Dandiwala	06	06	Yes
Mr. Satish Pai	06	06	Yes
Mr. Praveen Kumar Maheshwari	06	06	Yes
Dr. Vikas Balia*	04	04	Yes
Mr. Sudhir Mital**	01	01	No

<sup>®</sup>AGM held on August 30, 2019.

\*Dr. Vikas Balia was appointed on the Board of the Company at its meeting held on 19<sup>th</sup> July, 2019.

\*\*Mr. Sudhir Mital was appointed on the Board of the Company at its meeting held on 11<sup>th</sup> November, 2019.

<sup>#</sup>Mr. M M Bhagat attended all 4 Board meetings along with the AGM held on August 30, 2019 during FY 2019-2020 before he ceased to be a director w.e.f. 30<sup>th</sup> August, 2019. Mr. Girish Dave attended 4 out of 5 Board meetings along with the AGM held on August 30, 2019 during FY 2019-2020 before he resigned w.e.f. 11<sup>th</sup> November, 2019.

## PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Directors have carried annual performance evaluation of Board, Independent Directors, Non-Executive Directors, Executive Directors, Committee and Chairman of the Board.

The evaluation framework focused on various aspects of Board and Committees such as review, timely information from management etc. Also, performance of individual directors was divided into Executive, Non-Executive and Independent Director and based on the parameters such as contribution, attendance, decision making, action oriented, external knowledge etc.

The evaluation exercise has been carried out by the Board on the basis of Evaluation template for Board, Independent Director, Non-Executive Director, Executive Directors, Committees and Chairman of the Board. The template had various questions to be replied by the directors on aforesaid parameters. The Nomination and Remuneration Committee evaluated the performance on the basis of response received from the Directors. Similarly, the Independent Directors evaluated the performance of Non Independent Directors, Chairman and assessed the quality, quantity and

flow of information between the Company, Management and the Board.

Outcome of the evaluation exercise:

1. The Board as a whole perform satisfactorily.
2. Independent Directors are rated high in understanding the Company's business and expressing their view during the Board Meeting.
3. The Non-Executive Directors scored well in all aspects.
4. Directors rated Executive Directors as action oriented and good in implementing Board decisions.
5. Board members rated high to the Chairman leading the board effectively.
6. Board members has shown satisfaction in functioning of the Committees.

## INDEPENDENT DIRECTOR'S MEETING

During the year under review, the Independent Directors met without the presence of Non Independent Directors and members of the management inter alia to discuss:

- Evaluate the performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluate the performance of the Chairman, taking into account the views of Executive and Non-Executive Directors.

Evaluate the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole.

In the opinion of the Board, the Independent Directors fulfil all the conditions specified in the Listing Regulations as amended and are independent of the management.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new Independent Directors inducted on the Board are given a letter of appointment setting out their roles, functions, duties and responsibilities.

The Directors are familiarized with your Company's Business and its operations. Interactions are held between the Directors and Senior Management of your Company. Directors are familiarized with organizational set-up, functioning of various department, internal control processes and relevant information pertaining to your Company. They are periodically updated on industry scenario, changes in regulatory framework and the impact thereof on the working of your Company.

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The details on the Company's Familiarization Programme for Independent Directors can be accessed at: <http://hindalco.com/about-us/management-team/board-of-directors>.

### COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted following Committees of Directors to deal with matters and monitor the activities falling within the respective terms of reference:-

#### AUDIT COMMITTEE

##### Constitution of Audit Committee and its functions

Your Company has an Audit Committee at the Board level which acts as a link between the Management, the Statutory and the Internal Auditors and the Board of Directors and oversees the financial reporting process. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Listing Regulations.

The Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The followings are the members of Audit Committee:

Mr. K.N. Bhandari*	-	Chairman
Mr. Y.P. Dandiwalala	-	Member
Dr. Vikas Balia#	-	Member

Mr. Anil Malik, Company Secretary, also acts as Secretary to the Committee.

\* The Board appointed Mr. K N Bhandari as the Chairman of the Audit Committee on 30<sup>th</sup> August, 2019 as Mr. M. M. Bhagat, the then Chairman of the Audit Committee who ceased to be a director of the Company on the said date.

# The Board inducted Dr. Vikas Balia as a member of the Audit Committee on 30<sup>th</sup> August, 2019 in place of Mr. M. M. Bhagat.

During the year, the Audit Committee met 4 times i.e on May 16, 2019, August 09, 2019, November 11, 2019 and February 12, 2020 to deliberate on various matters. The attendance of each Audit Committee members are as follows:

Name of the Director#	No. of Meetings Held	No. of Meetings Attended
Mr. K. N. Bhandari	04	03
Mr. Y. P. Dandiwalala	04	04
Dr. Vikas Balia	02	01

# Mr. M M Bhagat attended both Audit Committee meetings during FY 2019-2020 before he ceased to be a director w.e.f. 30<sup>th</sup> August, 2019.

- The Chairman of the Audit Committee, Mr. K. N. Bhandari was present at the last Annual General Meeting of your Company held on August 30, 2019.
- The Managing Director, Whole-time Director, CFO, the representative of the Statutory Auditor, Head of

the Internal Audit are permanent invitees of the Audit Committee. The representative of the Cost Auditors are invited to the Audit Committee Meetings whenever matters relating to cost audit is considered.

- Mr. Anil Malik, Company Secretary, acted as Secretary to the Committee.

##### Role of Audit Committee:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

- |  |  |
|--|--|
| <p>(8) Approval or any subsequent modification of transactions of the listed entity with related parties;</p> <p>(9) Scrutiny of inter-corporate loans and investments;</p> <p>(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;</p> <p>(11) Evaluation of internal financial controls and risk management systems;</p> <p>(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;</p> <p>(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> <p>(14) Discussion with internal auditors of any significant findings and follow up there on;</p> <p>(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;</p> <p>(16) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> <p>(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;</p> <p>(18) To review the functioning of the whistle blower mechanism;</p> <p>(19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;</p> <p>(20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.</p> <p>(21) Reviewing the utilisation of the loans and / or advances from / investments by the Holding Company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on April 01, 2019.</p> | <p>(2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;</p> <p>(3) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;</p> <p>(4) Internal audit reports relating to internal control weaknesses;</p> <p>(5) The appointment, removal and terms of remuneration of the Chief Internal Auditor; and</p> <p>(6) Statement of deviations:</p> <p style="padding-left: 20px;">(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations.</p> <p style="padding-left: 20px;">(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.</p> |
|--|--|

## STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company has a "Stakeholder's Relationship Committee" at the Board level to specifically look into various aspects of interests of shareholders, debenture holders and other security holders.

The role of the committee is to specifically look into various aspects of interest of shareholders, debenture holders and other security holders including:

1. Resolving the grievances of the security holder of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Reports non-receipts of declared dividends, issue of new/ duplicate Certificate, General Meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

The following are the members of the Committee:

Mr. K. N. Bhandari	-	Chairman
Mr. A. K. Agarwala	-	Member
Mr. Satish Pai*	-	Member

Mr. Anil Malik, Company Secretary, is the Compliance officer and acts as secretary to the Committee.

\* The Board inducted Mr. Satish Pai as a member of the Stakeholders' Relationship Committee on 30th August, 2019 in place of Mr. M. M. Bhagat who ceased to be a director on the Board of the Company as on the aforesaid date.

**B. The audit committee reviews the following information:**

- (1) Management Discussion and Analysis of financial condition and results of operations;



## CORPORATE GOVERNANCE REPORT

During the year under review, the Committee met four times i.e on May 16, 2019, August 09, 2019, November 11, 2019 and February 12, 2020 to deliberate on various matters referred above. Details of attendance by Directors for the Committee meetings are as follows:

Name of the Director <sup>#</sup>	No. of Meetings Held	No. of Meetings Attended
Mr. K. N. Bhandari	4	3
Mr. A. K. Agarwala	4	3
Mr. Satish Pai	2	2

<sup>#</sup> Mr. M M Bhagat attended both Stakeholders Relationship Committee meetings during FY 2019-2020 before he ceased to be a director w.e.f. 30<sup>th</sup> August, 2019.

The Company's shares are compulsorily traded and delivered in the dematerialised form in all Stock Exchanges. To expedite the transfer in the physical segment, necessary authority has been delegated to certain officers, who are authorised to transfer up to 10,000 shares under one transfer deed.

### Number of shareholders complaints received so far/number not solved to the satisfaction of shareholders/number of pending complaints

Details of complaints received, disposed off and pending during the year, number of shares transferred during the year, time taken for affecting these transfers and the number of share transfers pending are furnished in the "Shareholder Information" section of this Annual Report.

## NOMINATION AND REMUNERATION COMMITTEE

The Board has formed a Nomination and Remuneration Committee consisting of the following members:

Mr. K. N. Bhandari*	–	Chairman
Mr. Kumar Mangalam Birla	–	Member
Mr. Y. P. Dandiwala <sup>#</sup>	–	Member

Mr. Anil Malik, Company Secretary also acts as Secretary to the Committee

\* The Board appointed Mr. K N Bhandari as the Chairman of the Nomination & Remuneration Committee on 30<sup>th</sup> August, 2019 as Mr. M. M. Bhagat, the then Chairman of the Nomination & Remuneration Committee who ceased to be a director of the Company on the said date.

<sup>#</sup> The Board inducted Mr. Y P Dandiwala as a member of the Nomination & Remuneration Committee on 30<sup>th</sup> August, 2019 in place of Mr. M. M. Bhagat.

As per Section 178 of Companies Act, 2013 and Regulation 19 of Listing Regulations, the terms of reference are as follows:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management

and recommend to the Board their appointment and removal.

- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of Independent Director on the basis of report of performance evaluation of Independent Director.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

The scope and functions of the Committee is in accordance with the provisions of the Companies Act, 2013 and Listing Regulations.

During the year under review, the Committee met four times i.e on May 16, 2019, July 19, 2019, August 09, 2019 and November 11, 2019 to deliberate on various matters referred above. The details of attendance of the members is as below:

Name of the Director <sup>#</sup>	No. of Meetings Held	No. of Meetings Attended
Mr. K. N. Bhandari	4	3
Mr. K. M. Birla	4	4
Mr. Y. P. Dandiwala	1	1

<sup>#</sup> Mr. M M Bhagat attended all three Nomination & Relationship Committee meetings during FY 2019-2020 before he ceased to be a director w.e.f. 30<sup>th</sup> August, 2019.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Corporate Social Responsibility Committee comprises of the following members:

Mrs. Rajashree Birla	–	Chairman
Mr. Satish Pai	–	Member
Mr. A.K. Agarwala	–	Member
Mr. D. Bhattacharya	–	Member
Mr. Y. P. Dandiwala	–	Member

Dr. Mrs. Pragnya Ram: Group Executive President: Corporate Communications and CSR is a permanent invitee to the Committee.

Mr. Anil Malik, Company Secretary, also acts as Secretary to the Committee.

The terms of reference of Corporate Social Responsibility Committee broadly comprises of following:

- (a) Formulate and Recommendation of CSR Policy to the Board indicating the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013.
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause(a).
- (c) Provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year under review, the Committee met once i.e. on April 24, 2019 to deliberate on various matters referred above. The details of attendance of the members is as below:

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Smt. Rajashree Birla	1	1
Mr. Satish Pai	1	1
Mr. D. Bhattacharya	1	1
Mr. A. K. Agarwala	1	1
Mr. Y. P. Dandiwala	1	1

## RISK MANAGEMENT COMMITTEE

The Company has a robust risk management framework to identify, monitor and minimize risk as also identify business responsibilities.

Your Company has comprehensive Risk Management Policy. The following are the Members of Risk Management Committee:

- Mr. A.K. Agarwala – Chairman
- Mr. Satish Pai – Member
- Mr. D. Bhattacharya – Member
- Mr. Praveen Kumar Maheshwari – Member
- Mr. Vikram Sondhi – Member
- Mr. Anil Mathew – Member

Mr. Anil Malik, Company Secretary, is Compliance Officer of the Risk Management and also acts as Secretary to the Committee.

Mr. J C Laddha superannuated w.e.f. 30th June, 2019 accordingly, the Board at its meeting held on 30th August, 2019 reconstituted the Risk Management Committee by removing Mr. Laddha.

During the year under review, the Committee met four times i.e on April 08, 2019, July 08, 2019, October 09, 2019 and

January 08, 2020 to deliberate on various matters. Details of attendance by Directors for the Committee meetings are as follows:

Name of the Director / member	No. of Meetings Held	No. of Meetings Attended
Mr. A. K. Agarwala	4	4
Mr. Satish Pai	4	4
Mr. D. Bhattacharya	4	4
Mr. Praveen Kumar Maheshwari	4	4
Mr. Anil Mathew	4	4
Mr. Vikram Sondhi	4	4

## Non-Executive Director's Compensation and Disclosure

All fees/compensation including sitting fee paid to the Non-Executive Directors of the Company are fixed by Board of Directors within the limits approved by the shareholders. Details of sitting fees/compensation paid including stock options, if any, to them are given at the respective places in the report.

## Remuneration of Directors and Others

Your Company has two Executive Directors, the Board of Directors decides the remuneration of the Managing Director and Whole-time Director on the recommendation of Nomination and Remuneration Committee.

The Company has a system where all the Directors or Senior Management of the Company are required to disclose all pecuniary relationship or transactions with the Company. There were no pecuniary relationships or transactions between your Company and Non-Executive Director during the year.

Besides sitting fees ₹ 50,000/- per meeting of the Board, ₹ 25,000/- per meeting of the Audit Committee and ₹ 20,000/- per meeting for any other Committee thereof, the Company also pays Commission to the Non-Executive Directors.

For FY 2019-20, the Board has approved payment of ₹ 2.20 Crore (previous year ₹ 4.50 Crore) as Commission to the Non-Executive Directors of the Company pursuant to the authority given by the shareholders at the Annual General Meeting held on September 24, 2014 to pay Commission not exceeding 1% of the net profits of the Company to the Non-Executive Directors of the Company. The amount of commission payable is determined after assigning weightage to attendance and the type of meeting and other responsibilities.

Executive Directors are paid remuneration within the limits envisaged under Section 197, Schedule V of Companies Act, 2013. The said remuneration is approved by the Board as well as shareholders of the Company.

## CORPORATE GOVERNANCE REPORT

### The details of Remuneration package, fees paid etc. to Directors for the year ended March 31, 2020:

#### (a) Non-Executive Directors:

Name of Director	Sitting Fees Paid	Commission Payable	Total Payments Paid / Payable in 2019-20
	(₹ In Lakh)	(₹ in Lakh)	(₹ in Lakh)
Mr. Kumar Mangalam Birla <sup>1, 2</sup>	3.30	0.00	3.30
Mrs. Rajashree Birla <sup>2</sup>	1.70	109.15	110.85
Mr. A. K. Agarwala	4.70	12.48	17.18
Mr. D. Bhattacharya <sup>6</sup>	4.80	11.39	16.19
Mr. M. M. Bhagat <sup>7</sup>	3.90	12.07	17.97
Mr. K. N. Bhandari	4.45	21.05	25.50
Mr. Ram Charan	1.00	3.87	4.87
Mrs. Alka Bharucha	2.00	7.91	9.91
Mr. Y. P. Dandiwala	4.40	22.04	26.44
Mr. Girish Dave <sup>8</sup>	2.00	7.91	9.91
Dr. Vikas Balia	2.25	10.91	12.44
Mr. Sudhir Mital	0.50	1.94	2.44

#### Notes:

- Mr. Kumar Mangalam Birla assumed the role of Executive Chairman of Aditya Birla Management Corporation Private Limited w.e.f. January 01, 2019. Accordingly he would not like to receive any commission from your Company w.e.f. January 01, 2019.
- No Director is related to any other Director on the Board, except Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.
- Your Company has a policy of not advancing any loan to its Directors except to Executive Director in the course of normal employment.
- The Company has obtained shareholders' approval for payment of commission to its Non-Executive Directors & Independent Directors, not exceeding 1% of Net Profit of the Company.
- Stock Options were not granted to any Non-Executive Directors.
- In addition to above, the Board approved pension of Mr. D. Bhattacharya of ₹ 0.335 Crore per month, hence he has been paid ₹ 4.02 Crore as pension and ₹ 0.02 Crore towards reimbursement of medical expenses for his past service as Managing Director.
- Mr. M M Bhagat (DIN: 00006245) has ceased to be an Independent Director w.e.f August 30, 2019 due to old age.
- Mr. Girish Dave (DIN: 00036455) has resigned as Independent Director w.e.f. November 11, 2019 due to age and personal reasons.

#### (b) Paid to Executive Directors

Executive Director	Relationship with other Directors	Remuneration for the year 2019-20			
		All elements of remuneration package i.e., salary, benefits, bonuses, pension etc.	Fixed component & performance linked incentives, along with performance criteria	Service contracts, notice period, severance fee	Stock option details, if any
Mr. Satish Pai (Managing Director) See Note (a), (f)	None	226,938,753	92,167,000	See Note (b)	See Note (c)
Mr. Praveen Kumar Maheshwari (Whole-time Director) See Note (e), (f)	None	50,937,732	11,712,121	See Note (b)	See Note (d)

- Mr. Satish Pai Managing Director was paid a sum of ₹ 9,21,67,000 towards performance bonus linked to achievement of targets for FY 2018-19.
- The appointment is subject to termination by three months notice in writing on either side. No severance fee is payable to the Managing Director or Whole-Time Director.
- 782,609 Stock Options were granted on October 09, 2013 to Mr. Satish Pai. These Stock Options are vested 25% each year over a period of 4 years from the date of grant. In addition, he has been granted 956,522 Stock Appreciation Rights (SARs), of which Mr. Pai had exercised 478,261 SARs during the year FY 2018-19 and balance 478,261 SARs were exercised during FY 2019-20. Further, 1,985,292 and 264,704 Stock Options along

with 466,805 and 62,241 Restricted Stock Units (RSUs) have been granted during FY 2018-19 and FY 2019-20 respectively. These Stock Options are vested 25% each year over a period of 4 years from the date of grant and RSUs are vested at the end of 3 years from date of grant. During FY 2019-20, Mr. Satish Pai has exercised 325,653 Stock Options.

- (d) 55,630 Stock Options were granted on October 09, 2013 to Mr. Praveen Kumar Maheshwari. These Stock Options are vested 25% each year over a period of 4 years from the date of grant. Mr. Praveen Kumar Maheshwari was also granted 55,667 RSU on October 09, 2013 which are vested after expiry of 3 years from the date of grant. Further, 119,116 Stock Options and 28,008 RSUs has been granted during FY 2018-19. These Stock Options are vested 25% each year over a period of 4 years from the date of grant and RSUs are vested at the end of 3 years from date of grant. During FY 2019-20, Mr. Praveen Kumar Maheshwari has exercised 111,297 Stock Options.
- (e) Mr. Praveen Kumar Maheshwari was paid a sum of ₹ 1,17,12,121 towards performance bonus linked to achievement of targets for FY 2018-19.
- (f) Remuneration excludes amortisation of fair value of employee share based payments under Ind AS 102 and liabilities for defined benefit plans provided on actuarial basis.

All Directors have disclosed their shareholding in the Company. None of the Directors is holding any debentures or any other convertibles of the Company. Details of shareholding of Directors as on March 31, 2020 are as follows:

NAME OF THE DIRECTORS	SHARES (₹ 1 paid up)
Mr. Kumar Mangalam Birla*	901,635
Mrs. Rajashree Birla	612,470
Mr. A. K. Agarwala	116,148
Mr. D. Bhattacharya	1,571,937
Mr. K. N. Bhandari	5,071
Mr. Y. P. Dandiwala	206
Mr. Ram Charan	NIL
Mrs. Alka Bharucha	NIL
Mr. Satish Pai	355,653
Mr. Praveen Kumar Maheshwari	111,297
Dr. Vikas Balia	325
Mr. Sudhir Mital	NIL

\*Additionally he holds 648,632 equity shares as Karta of Aditya Vikram Kumar Mangalam Birla HUF.

## CODE OF CONDUCT

The Hindalco Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, Senior Management of the Company. The Code is available on the Company's website viz: <http://www.hindalco.com/investor-centre/code-of-conduct>.

For the year under review, all Directors and Senior Management personnel of the Company have confirmed their adherence to the provisions of the said Code.

Declaration as required under Regulation 26(3) of the Listing Regulations.

We hereby confirm that all Directors and Senior Management have affirmed compliance with Code of Conduct for the financial year ended March 31, 2020.

**Satish Pai**

Managing Director  
[DIN: 06646758]

Date : June 12, 2020  
Place: Mumbai

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons (including Directors, Key Managerial Personnel and Employees) of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company.

## SUBSIDIARY COMPANIES

The Company has adopted a policy for determining 'material' subsidiaries and the policy can be accessed on your Company's website viz: <http://www.hindalco.com/upload/pdf/hil-policy-on-material-subsiadiary.pdf>

The Company is in compliance with the requirements of Regulation 24 of Listing Regulations with respective Corporate Governance for its subsidiary companies.

## DISCLOSURES

### (A) Related Party Transaction's

All the related party transactions are strictly done on arm's length basis. The Company places all the relevant details of a related party transactions, entered in the normal course of business, before the Audit Committee from time to time. There was no material related party transaction, which are not in the normal course of the business, entered into by the Company during the year.

CORPORATE GOVERNANCE REPORT

Attention of the Members is drawn to the disclosures of transactions with the related parties set out in Notes to Accounts forming part of the Financial Statements. The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company at <http://www.hindalco.com/investor-centre/policies>.

**(B) Non Compliances/Strictures/penalties Imposed**

No Non Compliance/strictures/penalties have been imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority on any matters related to capital markets during the last three years.

**(C) Disclosure of Accounting Treatment**

Your Company has followed all relevant Accounting Standards while preparing the Financial Statements.

**(D) Risk Management**

Risk evaluation and management is an ongoing process within the organisation. Your Company has comprehensive Risk Management Policy and it is periodically reviewed by the Board of Directors.

**(E) Proceeds from public issues, right issues, preferential issues etc:**

During the year under review, the Company has not raised any proceeds from public issues, rights issues or preferential issues.

**(F) Remuneration of Directors**

This is included separately in this Section.

**(G) Management**

Management Discussion and Analysis Report is prepared in accordance with the requirements laid out under Listing Regulations forms part of this Annual Report. No material transaction has been entered into by the Company with the Promoters, Directors or the Management, their subsidiaries or relatives, etc., that may have a potential conflict with interests of the Company.

**(H) Shareholders**

- (i) The Company has provided the details of Directors seeking appointment/re-appointment in the Annual General Meeting Notice attached with this Annual Report.
- (ii) Quarterly Presentations on the Company results are available on the website of the Company ([www.hindalco.com](http://www.hindalco.com)) and the Aditya Birla Group website ([www.adityabirla.com](http://www.adityabirla.com)).

**(I) Details of total fees paid to Statutory Auditor**

During the FY 2019-20, the total fees charged for audit and non-audit services provided by Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/ E300009) and other member firms of PricewaterhouseCoopers

global network of firms to the Company and its subsidiaries on a consolidated basis is as follows:

₹ in Crore

Engagements	Price Waterhouse & Co Chartered Accountants LLP*	Other PricewaterhouseCoopers global network of firms*
Statutory Audit and Limited Review	3.22	48.44
Audit of special purpose financial statements of certain foreign subsidiaries	0.17	-
Tax compliance and advisory services	-	1.24
Other non-audit services- Certifications	-	1.29
Audit related services - Certifications	0.50	-
<b>Total</b>	<b>3.89</b>	<b>50.97</b>

\*Excluding taxes and out of pocket Expenses

**Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which employees are free to report violations of applicable laws and regulations and Code of Conduct. The whistle blower may send the complaint to the independent reporting mechanism - Ethics Hotline or to the respective Values Standards Committee (VSC), depending on the level at which the violation is perceived to be happening, or the seniority of the individual/s involved. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**Prevention of Sexual Harassment**

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability etc. All women associates (permanent, temporary, contractual and trainees) as well as any women

visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

The Details of complaints filed, disposed and pending during the FY 2019-20 is as given below:

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as at end of the financial year
5	3	2

### CEO/CFO Certification

The Managing Director and CFO have certified to the Board that:

- A. They have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of their knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 their 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. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. They have indicated to the Auditors and the Audit Committee:
  1. that there were no significant changes in internal control over financial reporting during the year;
  2. that there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
  3. 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.

### REPORT ON CORPORATE GOVERNANCE

Your Company has complied with Corporate Governance requirements specified under Regulations 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.

### COMPLIANCE

- I. A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Listing Regulations forms part of Annual Report.
- II. A Certificate by Company Secretary in practice that none of the directors have been debarred or disqualified from being appointed for continuing as directors in the companies by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of Annual Report As below:-

### CERTIFICATE

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

To

The Members  
Hindalco Industries Limited  
Ahura Centre, 1<sup>st</sup> Floor,  
B Wing Mahakali Caves Road,  
Mumbai – 400093

We have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the financial year 2019-20, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of Hindalco Industries Limited CIN.: L27020MH1958PLC011238 (hereinafter called the 'Company') having its Registered office at Ahura Centre, 1st Floor, B Wing Mahakali Caves Road, Mumbai – 400093 for the purpose of issue of a 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) 2015 (LODR), as amended vide notification no. [SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors stated below

## CORPORATE GOVERNANCE REPORT

who are on the Board of the Company as on 31<sup>st</sup> March 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by Securities Exchange Board of India or The Ministry of Corporate Affairs or any such other statutory authority.

Sl. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Kumar Mangalam Birla	00012813	16/11/1992
2	Rajashree Birla	00022995	15/03/1996
3	Askaran Agarwala	00023684	11/09/1998
4	Kailash Nath Bhandari	00026078	30/01/2006
5	Debnarayan Bhattacharya	00033553	01/10/2008
6	Alka Marezban Bharucha	00114067	11/07/2018
7	Praveen Kumar Maheshwari	00174361	28/05/2016
8	Yazdi Piroj Dandiwal	01055000	14/08/2015
9	Ram Charan	03464530	12/02/2011
10	Vikas Balia	00424524	19/07/2019
11	Satish Pai	06646758	13/08/2013
12	Sudhir Mital	08314675	11/11/2019

\*Date of Appointment is the date which is reflected on MCA portal.

Ensuring the eligibility 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.

**For BNP & Associates  
Company Secretaries**

**Mr. Avinash Bagul**

Partner

Place : Mumbai  
Dated : June 10<sup>th</sup>, 2020

(FCS No. 5578 COP No. 19862)  
UDIN: F005578B000332333

### GENERAL BODY MEETINGS

Details of Annual General Meetings

Location and time, where Annual General Meetings (AGMs) in the last three years were held:-

Year	AGM	Location	Date	Time
2018-19	AGM	Nehru Centre Auditorium	August 30, 2019	3.00 p.m
2017-18	AGM	Ravindra Natya Mandir	September 21, 2018	3.00 p.m
2016-17	AGM	Ravindra Natya Mandir	September 13, 2017	3.00 p.m

In the last three years special resolution as set out in the respective notices for AGM's were passed by shareholders.

Whether any special resolution passed last year through postal ballot? No

Person who conducted the postal exercise: Not Applicable

Whether any special resolution is proposed to be conducted through postal ballot: No

### MEANS OF COMMUNICATION

- Quarterly Results:

Newspaper	Cities of Publication
Business Standard (English)	All editions
Navshakti (Marathi)	Mumbai Edition only

- Any website, where displayed:  
www.hindalco.com  
www.adityabirla.com

- Whether the Company Website displays:

All official news releases	Yes
Presentation made to Institutional Investors/ Analysts	Yes

### General Shareholder Information

The same is provided in the 'Shareholder Information' section.

### Status of compliance of Non-mandatory requirement

- The Company maintains a separate office for the Non-Executive Chairman. All necessary infrastructure (including vehicles for business purpose) and assistance are available to enable him discharge his responsibilities effectively.
- During the period under review, there is no audit qualification in the financial statement.
- The post of the Non-Executive Chairman of the Board is separate from that of the Managing Director/CEO.
- The Company has engaged internal auditors for aluminium and copper business separately and their report is reviewed by the Audit Committee.

## Auditor's Certificate Regarding Compliance of Conditions of Corporate Governance

### To the Members of Hindalco Industries Limited

We have examined the compliance of conditions of Corporate Governance by Hindalco Industries Limited ("the Company"), for the year ended March 31, 2020 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We 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 Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

**Sumit Seth**

Partner

Membership No: 105869

UDIN: 20105869AAAABC4542

Place : Mumbai

Date : 14<sup>th</sup> August, 2020





## SHAREHOLDER INFORMATION

### 1. Annual General Meeting

- Date and Time : 10<sup>th</sup> September, 2020 at 03:00 p.m.
- Mode : Video conferencing (VC) /  
Other audio visual means (OAVM)

### 2. Financial Year

: April 1 to March 31

Financial calendar

#### Board Meetings for approval of

#### : Tentative Dates

- Financial results for the quarter ending June 30, 2020 : On or before 14<sup>th</sup> August, 2020
- Financial results for the half year ending September 30, 2020 : On or before 14<sup>th</sup> November, 2020
- Financial results for the quarter ending December 31, 2020 : On or before 14<sup>th</sup> February, 2021
- Financial results for the year ending March 31, 2021 (Audited) : On or before 30<sup>th</sup> May, 2021
- Annual General Meeting for the year ended March 31, 2021 : On or before 31<sup>st</sup> August, 2021

### 3. Date of Book Closure

: 05<sup>th</sup> September, 2020 to 10<sup>th</sup> September, 2020  
(both days inclusive)

### 4. Dividend Payment Date

: On or after 10<sup>th</sup> September, 2020

### 5. Registered Office

: Ahura Centre, 1<sup>st</sup> Floor,  
B Wing, Mahakali Caves Road  
Andheri (East), Mumbai - 400 093.  
Tel: (91-22) 66917000  
Fax: (91-22) 66917001  
E-Mail: hilinvestors@adityabirla.com  
Website: www.hindalco.com  
CIN No. L27020MH1958PLC011238

### 6. a. Listing Details:

Equity Shares	Global Depository Receipts (GDRs)	Non-Convertible Debentures
<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001.	<b>Luxembourg Stock Exchange</b> 35 A Boulevard Joseph II L-1840 Luxembourg	<b>National Stock Exchange of India Limited</b> “Exchange Plaza”, Bandra Kurla Complex Bandra (East), Mumbai – 400 051.
<b>National Stock Exchange of India Limited</b> “Exchange Plaza”, Bandra Kurla Complex Bandra (East), Mumbai – 400 051.		

*Note: Listing fees has been paid to all the Stock Exchanges as per their Schedule.*

### b Overseas Depository for GDRs

: J. P. Morgan Chase Bank N.A.  
P.O. Box 64504, St. Paul, MN 55164-0504  
jpmorgan.adr@eq-us.com

### c Domestic Custodian of GDRs

: Citibank N.A.  
Custody Services  
FIFC, 11<sup>th</sup> Floor, C-54 & 55, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 098  
Tel.: 91-22-61756895  
Fax: 91-22-26532205

## 7. ISIN

: Fully paid up equity share: ISIN INE038A01020  
GDR: ISIN US4330641022  
CUSIP No. 433064300

## 8. Details of Debenture issued

Interest Payment Date	Interest	Series	Date of allotment	Tenure	Record Date	ISIN No.
25 <sup>th</sup> April	Annually	9.55% Series (2012) –I	25 <sup>th</sup> April, 2012	10 Years	7 days prior to each interest and/or redemption payment	INE038807258
27 <sup>th</sup> June	Annually	9.55% Series (2012) –II	27 <sup>th</sup> June, 2012	10 Years	7 days prior to each interest and/or redemption payment	INE038A07266
2 <sup>nd</sup> August	Annually	9.60% Series (2012)-III	2 <sup>nd</sup> August, 2012	10 Years	7 days prior to each interest and/or redemption payment	INE038A07274

## 9. Stock Code

Stock Code:	Scrip Code	
Bombay Stock Exchange	500440	
National Stock Exchange	HINDALCO	
Stock Exchange	Reuters	Bloomberg
Bombay Stock Exchange	HALC.BO	HNDL IN
National Stock Exchange	HALC.NS	NHNDL IN
Luxembourg Stock Exchange (GDRs)	HALCg.LU	HDCD LI

**Name and Address of Debenture Trustee** : IDBI Trusteeship Services Limited  
Asian Building, Ground Floor, 17 R. Kamani Marg  
Ballard Estate, Mumbai: 400 001

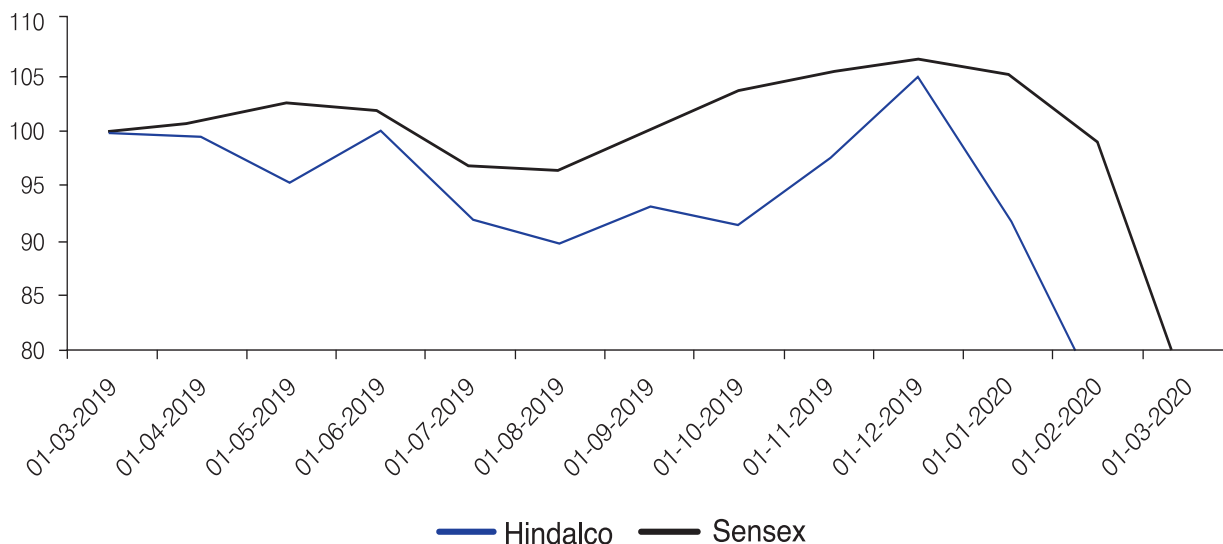
## 10. Stock Price Data

	Bombay Stock Exchange				National Stock Exchange				Luxembourg Stock Exchange		
	High	Low	Close	Volume	High	Low	Close	Volume	High	Low	Close
	(In ₹)			(In Nos)	(In ₹)			(In Nos)	In US\$		
March-20	167.8	85.05	95.65	1,00,00,155	167.9	84.9	95.7	27,52,05,094	2.2	2.16	1.27
February-20	198.25	154.05	156.35	50,26,533	198.4	154.1	155.9	16,26,37,755	2.76	2.76	2.16
January-20	221.2	188.25	189.2	91,43,756	221.2	188.25	189.35	18,21,83,463	3.08	3.06	2.64
December-19	219.4	193	216.1	85,22,603	219.4	192.8	216.15	16,98,01,792	3.06	2.76	3.02
November-19	207.3	187.05	200.25	90,39,562	207.3	187.05	200.15	18,72,55,610	2.9	2.26	2.86
October-19	195.35	180.05	188.05	59,80,900	195.55	180	187.9	13,19,02,156	2.7	2.56	2.64
September-19	208.15	176.75	191.3	53,11,318	208.2	176.6	191.35	12,58,83,645	2.9	2.46	2.7
August-19	191	171.25	184.5	93,95,528	189.25	171.1	184.45	16,14,23,109	2.62	2.44	2.58
July-19	210.5	184.75	190.7	97,53,985	210.6	184.8	190.55	13,39,88,914	3.02	2.68	2.76
June-19	210.25	188.15	207.1	1,10,49,518	210.4	188.1	207.5	12,47,13,306	3	2.62	2.98
May-19	207.6	187.25	196.6	99,81,382	207.65	187.25	197	17,22,41,304	2.96	2.68	2.8
April-19	218.95	196.15	205.85	55,72,305	219.1	195.75	206.05	14,31,93,322	3.14	2.78	2.94

## SHAREHOLDER INFORMATION

### 11. Stock Performance

Stock Performance Vs Sensex



### 12. Stock Performance over the past few years

	Absolute Returns (in %)			Annualised Returns (in %)			
	1YR	3YR	5YR	1YR	3YR	5YR	
Hindalco	-53.43%	-50.94%	-25.81%	Hindalco	-53.43%	-21.13%	-5.80%
SENSEX	-23.80%	-0.51%	5.40%	SENSEX	-23.80%	-0.17%	1.06%
NIFTY	-26.03%	-6.28%	1.26%	NIFTY	-26.03%	-2.14%	0.25%

### 13. Registrar and Transfer Agents

The Company has In-House Investors Service Department registered with SEBI as Category II Share Transfer Agent vide Registration no INR 000003910.

#### Investors Service Department

Hindalco Industries Limited  
 Ahura Centre, 1<sup>st</sup> floor,  
 B Wing, Mahakali Caves Road  
 Andheri (East), Mumbai-400 093.  
 Tel: (91-22) 6691 7000, Fax: (91-22) 6691 7001  
 E-mail: hilinvestors@adityabirla.com

### 14. Share Transfer System

Share transfer in physical form are registered and returned within a period of 15 days of receipt, provided the documents are clear in all respects. Officers of the Company have been authorized to approve transfers up to 10,000 Shares in physical form under one transfer deed and one Director of the Company has been authorized to approve the transfers exceeding 10,000 shares under one transfer deed. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialised form.

The total number of shares transferred in the physical form during the year was 3,21,229.

TRANSFER SUMMARY FROM 01-04-2019 TO 31-03-2020				
Transfer Period in Days		Number of Transfers	%	Number of Shares
From	To			
0	10	157	91.28	2,42,075
11	15	13	7.56	20,034
16	20	2	1.16	59,120
<b>Total</b>		<b>172</b>	<b>100.00</b>	<b>3,21,229</b>

## 15. Investor Services

a. Complaints received during the year:

Nature of complaints	2019-20		2018-19	
	Received	Cleared	Received	Cleared
Relating to Transfers, Transmissions Dividend, Interest, Redemption, Demat – Remat, Rights Issue and Change of Address etc.	18	18	23	23

b. Shares pending for transfer : Nil

## 16. Distribution of Shareholding:

S. No.	Shares from	Shares to	Share Holders	% of Holders	No of Shares Held	% of Holding
1	0	1000	3,11,197	93.73	4,51,45,300	2.00
2	1001	2000	9,412	2.84	1,38,15,628	0.61
3	2001	5000	6,474	1.95	2,05,82,314	0.92
4	5001	10000	2,367	0.71	1,68,92,152	0.75
5	10001	50000	1,697	0.51	3,42,27,242	1.52
6	50001	100000	226	0.07	1,60,87,852	0.73
7	100001 and above		641	0.19	2,09,94,72,199	93.47
<b>Total</b>			<b>3,32,014</b>	<b>100.00</b>	<b>2,24,62,22,687</b>	<b>100.00</b>

## 17. Dematerialisation of Shares and Liquidity

Around 98% of outstanding shares have been dematerialized. Trading in Hindalco Shares is permitted only in the dematerialized form 5th April, 1999 as per notification issued by Securities and Exchange Board of India.

**18. Details on use of public funds obtained in 3 yrs:** Not Applicable

## 19. Outstanding GDR/Warrants/Convertible Bonds:

14,98,18,867 GDRs are outstanding as on 31<sup>st</sup> March, 2020. Each GDR represents one underlying equity share.

## 20. Commodity price risk or foreign exchange risk and hedging activities:

Your Company hedges its foreign currency exposure in respect of its imports and exports as per its policies. Your Company has constituted a Risk Management Committee consisting of Directors/Executives of your Company. Your Company has commodity/foreign exchange hedging from time to time considering various factors as per the policy of the Company.

## SHAREHOLDER INFORMATION

The details as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is as below:

1. Risk management policy of the listed entity with respect to commodities including through hedging.

The Company has a Risk Management Policy for Managing its Commodity Price Risk. The Policy captures the Objectives of Commodity Risk Management and the Treatment of Different Types of Exposures. The Policy lists down the Hedging Instruments that can be used, the Hedge Coverage ratios for different tenors and also mentions the Risk Management Structure at the Company.

2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

- a. Total Exposure of the listed entity to commodities in INR in Millions : 5,32,619

- b. Exposure of the entity to various commodities is as below:

Commodity Name	Nature of risk (Physical)	UOM	Exposure in INR towards the particular commodity (₹ In Million)	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
					Domestic Market		International Market		
					OTC	Exchange	OTC	Exchange	
Aluminium	Sell	MT	1,89,170	12,94,256	-	-	12	10	22
Furnace Oil/LSHS/LDO	Buy	MT	5,012	1,44,855	-	-	69	-	69
Imported Coal	Buy	MT	6,846	10,06,710	-	-	20	-	20
Copper	Buy	MT	1,34,678	3,56,941	-	-	14	27	41
Copper	Sell	MT	1,48,399	3,35,664	-	-	8	32	40
Silver (Oz)	Buy	T/Oz	2,956	25,54,119	-	-	100	-	100
Silver (Oz)	Sell	T/Oz	2,643	19,95,788	-	-	100	-	100
Gold (KG)	Buy	KG	19,868	6,057	-	100	-	-	100
Gold (KG)	Sell	KG	23,047	6,491	-	100	-	-	100

**Notes:**

- i. Table above includes Exposure and % Hedges for FY 2019 - 20 only. Details of hedges done for future years has not been captured here.
  - ii. The table above includes commodities where a liquid derivative market exists.
  - iii. The Company has price risk on commodities where an active derivative market does not exist, like - Caustic Soda, Aluminum Fluoride, CP Coke, Alumina, Bauxite etc. These Commodities are not included in the table above.
  - iv. The Company maintains offset hedge book to eliminate the "pricing" timing mismatch for buy and sell position of Copper. Accordingly, exposure of Copper Buy position and Copper Sell position naturally hedged is 48 % and 60 %, respectively. In case of Copper Buy exposure, 11% is not hedged represents unpriced transactions as at March 31, 2020 as the same will be hedged as per Company's policy.
  - v. The Company has strategic view based exposure for Copper, Gold and Silver. However, the same is not included above as it is a small portion of the overall Copper, Gold & Silver volumes.
  - vi. The Company procures part of its Alumina requirement from its 100% subsidiary, Utkal Alumina International Limited. The same is not included in the above table.
- c. The Company faces commodity price risk on purchase of its raw material as well as on sales of its products. The Company categorizes its price risk in broadly 2 categories - Offset Hedge Exposure and Strategic View Based Exposure. Under the Offset Hedge Program, we use derivative products to eliminate the price risk arising due to timing mismatch whereas for Strategic View Based exposure, derivative instruments are used to manage the price risk for future tenor. Hedging is done for commodities where an active derivative market exists.

## 21. Location of Plant and Mines

### Aluminium & Power

**Renukoot Plant\***

P.O. Renukoot-231217  
Dist. Sonebhadra, Uttar Pradesh  
Tel: (05446) 252077-9  
Fax: (05446) 252107/426

**Renusagar Power Division**

P. O. Renusagar  
Dist. Sonebhadra, Uttar Pradesh  
Tel: (05446)277161-3/278592-5  
Fax: (05446) 277164

**Hirakud Smelter**

Hirakud 768 016  
Dist. Sambalpur, Orissa  
Tel: (0663) 2481307/1452  
Fax: (0663) 2481356

**Hirakud Power**

Post Box No.12  
Hirakud 768 016  
Dist. Sambalpur, Orissa  
Tel: (0663) 2481307  
Fax: (0663) 2481342/365-2541642

**Mahan Aluminum**

Hindalco Industries Limited  
NH-75 E, Singrauli, Sidhi Rd,  
P.O. Bargawan, Pin: 486886  
Dist. Singrauli MP  
Tel: 0780-5281014

**Aditya Aluminium**

Hindalco Industries Limited  
Lapanga  
Dist. Sambalpur-768212, Odisha  
Tel: 0663-2114424  
Fax: 0663-2590434

### Chemicals

**Muri Alumina**

Post Chotamuri-835 101  
Dist. Ranchi, Jharkhand  
Tel: (06522) 244253/334  
Fax: (06522) 244342

**Belagavi**

Village Yamanapur  
Belagavi 590 010, Karnataka  
Tel: (0831) 2472716  
Fax: (0831) 2472728

### Copper

**Birla Copper Division**

P.O. Dahej, Lakhigam  
Dist. Bharuch – 392 130, Gujarat  
Tel: (02641) 256004/06, 251009  
Fax: (02641) 251002

### Sheet, Foil, Wheel, Packaging & Extrusions

**Belur Sheet**

39, Grand Trunk Road  
Belurmath 711 202  
Dist. Howrah, West Bengal  
Tel: (033) 2654 7210/12  
Fax: (033) 2654 9982/5740

**Taloja Sheet**

Plot 2, MIDC Industrial Area  
Taloja A.V., Dist. Raigad  
Navi Mumbai - 410 208, Maharashtra  
Tel: (022) 2741 2261 66292929  
Fax: (022) 2741 2430/31

**Alupuram Extrusions**

Alupuram, P.B. No.30  
Kalamassery - 683 104  
Dist. Ernakulam, Kerala  
Tel: (0484) 2532441-48  
Fax: (0484) 2532468

**Mouda Unit**

Village Dahali  
Ramtek Road, Mouda  
Nagpur – 441 104  
Tel: (07115) 660777/786

**Hirakud FRP**

Hindalco Industries Limited  
Hirakud-768016  
Dist. Sambhalpur, Odisha  
Tel: (0663) 6625000  
Fax: (0663) 2481344

### Mines

**Durgmanwadi Mines**

At Post Radhanagri  
Dist. Kolhapur,  
Maharashtra - 416 212  
Tel: (02321) 2371008  
Fax: (02321) 237478

**Lohardaga Mines**

Dist. Lohardaga 835 302  
Jharkhand  
Tel/Fax: (06526) 224112

**Samri Mines**

P.O.: Kusumi 497222  
Dist. Sarguja, Chattisgarh  
Tel/Fax: (07778)274325

**Gare Palma Coal Mines (IV/4 & IV/5)**

Underground Coal Mines  
Village & Post Milupura  
Tehsil Tamnar, Dist. Raigarh  
Chhattisgarh: 496107

**Dumri Coal Mine**

103, Commerce Tower  
Near Mahavir Tower,  
Main Road,  
Ranchi-834001  
Tel: (0651) 2330944/48  
Fax: (0651)2330782

**Kathautia Coal Mine**

Kathautia Open Cast Coal  
Mine (Koccm)  
Village Kathautia  
P.O. Naudiha  
PS Pandwa, Dist:Palamau  
Jharkhand: 822123

\*Renukoot works has also manufacturing facilities of Chemicals, Sheets and Extrusions.

## SHAREHOLDER INFORMATION

### 22. Investor Correspondence:

The Company Secretary  
Hindalco Industries Limited  
Ahura Centre, 1st Floor, B Wing  
Mahakali Caves Road, Andheri (E)  
Mumbai: 400093  
Tel: (91-22) 66917000  
Fax: (91-22) 66917001  
Email: hilinvestors@adityabirla.com

### 23. Categories of Shareholding (as on 31<sup>st</sup> March):

Category of Shareholders	2020				2019			
	Number of Share Holders	% of Share Holders	Number of Shares held	% Share Holding	Number of Share Holders	% of Share Holders	Number of Shares held	% Share Holding
Promoters*	17	0.01	77,83,39,497	34.65	20	0.01	77,83,39,497	34.66
Mutual Funds & UTI	212	0.06	34,50,24,221	15.36	194	0.06	29,72,21,564	13.24
Banks/ Financial Institutions/Ins/Govt	104	0.03	25,43,26,126	11.32	94	0.03	20,49,26,345	9.13
FII's	621	0.19	41,96,66,017	18.68	653	0.21	53,19,42,403	23.69
Corporates	2,125	0.64	12,46,75,484	5.55	2,312	0.76	11,20,94,472	4.99
Individuals/Shares In Transit/Trust	3,21,252	96.76	14,31,08,114	0.73	2,94,117	96.64	13,86,02,513	6.17
NRIs/ OCBs/Foreign Nationals	7,681	2.31	3,99,20,998	1.78	6,953	2.28	3,97,27,356	1.77
GDRs	1	0.00	13,52,76,558	6.02	1	0.00	13,82,03,847	6.15
Shares held by Employee trust	1	0.00	58,85,672	0.26	1	0.00	44,72,248	0.20
<b>Total</b>	<b>3,32,014</b>	<b>100.00</b>	<b>2,24,62,22,687</b>	<b>100.00</b>	<b>3,04,345</b>	<b>100.00</b>	<b>2,24,55,30,245</b>	<b>100.00</b>

\*Includes GDRs held by Promoter Group Companies.

### 24. Per share data

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Net Earnings (₹ in Crore)	620	1,205	1,436	1,557	552
Cash Earnings <sup>#</sup> (₹ in Crore)	2,328	2,899	3,053	2,985	1,834
Basic EPS (₹)	2.79	5.41	6.45	7.56	(0.64)
Cash EPS (₹)**	10.47	13.01	13.70	14.49	8.95
Dividend per share (₹)	1.00 <sup>@</sup>	1.20	1.20	1.10	1.00
Dividend pay out (%) <sup>##</sup>	36.23 <sup>@</sup>	26.92	22.58	19.08	41.23
Book Value per share (₹)	202.54	216.24	220.28	211.00	204.16
Price to earning (x)*	34.33	37.99	33.28	25.80	(137.42)
Price to cash earning (x)*	9.14	15.80	15.66	13.46	9.83
Price to Book Value (x)*	0.47	0.95	0.97	0.92	0.43

\* Net Earnings plus Depreciation and Amortisation

<sup>@</sup>proposed dividend

\* Stock price as on 31<sup>st</sup> March

\*\* Cash EPS – Cash Earnings divided by Weighted average numbers of equity shares used in computing basic EPS

<sup>##</sup> For calculation of dividend payout ratio of FY 2018-19, 2017-18, 2016-17 and 2015-16, dividend includes Dividend Distribution Tax.

**25. LIST OF CREDIT RATINGS**

CARE ratings have provided the following ratings for the financial year 2019-20

<b>Instrument</b>	<b>Rating</b>	<b>Rating Action</b>
Long Term Bank facilities – Term Loan	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Reaffirmed
Long Term Bank facilities- Fund based	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Reaffirmed
Long Term Bank facilities- Non- Fund based	CAREAA+; Stable/CARE A1+ (Double A Plus; Outlook: Stable/ A One Plus)	Reaffirmed
Short term Bank Facilities- Term Loan	CAREA1+ (A One Plus)	Assigned

CRISIL have reaffirmed their ratings as “CRISIL AA/POSITIVE” (pronounced as CRISIL double A rating with positive outlook) rating on the Non-convertible debentures.

**26. OTHER USEFUL INFORMATION FOR SHAREHOLDERS**

Shareholders who have not yet encashed their dividend warrants for the years 2012-2013 to 2018-2019 may approach the Company with a request letter quoting their Ledger Folio numbers / DP & Client ID along with dividend warrant(s) (if any) and a cancelled cheque leaf for revalidation/claim.

The details of Dividend paid by the Company and the respective due dates of transfer of unclaimed/un-encashed dividend to the designated fund of the Central Government is enumerated below:

<b>Date of Declaration</b>	<b>Financial Year of Dividend</b>	<b>Due date of transfer to the Government</b>	<b>Amount in ₹</b>
September 10, 2013	2012-2013	October 17, 2020	64,73,839.40
September 24, 2014	2013-2014	October 31, 2021	48,07,431.00
September 16, 2015	2014-2015	October 23, 2022	57,46,607.49
September 14, 2016	2015-2016	October 21, 2023	57,64,850.00
September 13, 2017	2016-2017	October 20, 2024	67,38,986.30
September 21, 2018	2017-2018	October 27, 2025	71,71,834.80
August 30, 2019	2018-2019	October 7, 2026	69,77,320.20

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment 2017, the Company is mandated to transfer all such shares to Investor Education and Protection Fund (IEPF) in respect of which dividend has not been claimed for seven consecutive years or more.

The unclaimed dividend amount for the financial year 2011-2012 and 3,76,418 Equity Shares related to unclaimed dividend for the financial year have been credited to Investor Education and Protection Fund (IEPF).

Shareholder can claim the unclaimed dividend amounts and shares credited to IEPF with a separate application made to the IEPF Authority, in Form IEPF-5, as prescribed under the Rules and are available at IEPF website i.e www.iepf.gov.in.

In case of any query contact –  
Hindalco Industries limited  
Ahura Centre, 1<sup>st</sup> floor, B Wing  
Mahakali Caves Road  
Andheri (East), Mumbai- 400 093.  
Tel: (91-22) 6691 7000  
Fax: (91-22) 6691 7001  
Email ID: hilinvestors@adityabirla.com

**Green Initiative in Corporate Governance – Service of Documents in Electronic Form**

As you are aware, Ministry of Corporate Affairs Government of India (MCA) vide its Circular(s) Nos. 17 and 18 dated 21st April, 2011 and 29th April, 2011 respectively has now allowed the companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Director’s Report, Auditor’s Report etc. henceforth to their shareholders electronically as a part of its Green Initiative in Corporate Governance.



## SHAREHOLDER INFORMATION

Keeping in view the aforesaid green initiative of MCA, your Company shall send the Annual Report and other documents to its shareholders in electronic form at the e-mail address provided by them and made available to us by the Depository.

Further this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated 5 May 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY 2019-20 and notice of AGM is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

### Unclaimed Shares in Physical Form

Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides the manner of dealing with shares issued in physical form pursuant to public issue or any other issue which remains unclaimed with the Company. In compliance with the provisions of Listing Regulations, the Company has sent three reminders to the shareholders whose share certificates are lying unclaimed.

Disclosures pursuant to Regulation 39(4) of Listing Regulation are as below:

- Aggregate number of shareholders and outstanding shares lying in Unclaimed Suspense account lying as at 1st April, 2019:  
1,054 Shareholders holding 5,36,621 Equity Shares of the Company
- Number of shareholders who approached the issuer for transfer of shares from Unclaimed Suspense Account during the year  
15 Shareholders holding 9,520 Equity Shares of the Company
- Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year  
14 Shareholders holding 8,840 Equity Shares of the Company and 1 case for 680 Equity Shares is under process.  
302 Shareholders holding 1,04,148 Equity Shares were transferred to Investor Education and Protection Fund Account.
- Aggregate number of shareholders and outstanding shares lying in Unclaimed Suspense Account as at 31st March, 2020

737 shareholders holding 4,22,953 Equity Shares.

6,140 Equity Shares in physical form for transmission/deletion.

6,140 Equity Shares in physical form includes above mentioned 680 Equity Shares.

### INVESTOR SERVICES

- (i) Equity Shares of the Company are under compulsory demat trading by all investors, with effect from April 05, 1999. Considering the advantages of scrip less trading, shareholders are requested to consider dematerialization of their shareholding so as to avoid inconvenience in future.

BSE has vide circular dated July 05, 2018 informed about amendment to Regulation 40 of Listing Regulations mandating the transfer of securities would be carried out in dematerialised form only. This restriction shall not be applicable to the request received for Deletion, Transmission or Transposition of physical shares.

- (ii) Shareholders/Beneficial Owners are requested to quote their Folio No./DP & Client ID Nos., as the case may be, in all correspondence with the Company. All correspondences regarding shares & debentures of the Company should be addressed to the Investor Service Department of the Company at Ahura Centre, 1st Floor, 'B' Wing, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 and not to any other office(s) of the Company.
- (iii) Shareholders holding shares in physical form are requested to notify to the Company, change in their address/Pin Code number and Bank Account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DP.
- (iv) To prevent fraudulent encashment of dividend warrants, members are requested to provide their Bank Account Details (if not provided earlier) to the Company (if shares are held in physical form) or to DP (if shares are held in demat form), as the case may be, for printing of the same on their dividend warrants.
- (v) Non-resident members are requested to immediately notify:-
- change in their residential status on return to India for permanent settlement;
  - particulars of their NRE Bank Account with a bank in India, if not furnished earlier.

- (vi) In case of loss/misplacement of share certificate, investors should immediately lodge a FIR/ Complaint with the police and inform to Company along with original or certified copy of FIR/ acknowledged copy of the complaint.
- (vii) Shareholders are requested to keep record of their specimen signature before lodgment of shares with the Company to obviate possibility of difference in signature at a later date.
- (viii) Shareholders(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificates in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.
- (ix) Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
- (x) Shareholders are requested to quote their E-mail Ids, Telephone/Fax numbers for prompt reply to their communication.

