

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

10th ANNUAL REPORT

2016-17

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

10th ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

BOARD OF DIRECTORS

1. Sri S Chakrapani, Director
2. Sri S Thangaraj, Director
3. Sri.K.Ramakrishnan, Director

AUDITORS

M/s.Raja & Raman
Chartered Accountants
1055/11, First Floor, Gowtham Centre,
Avanashi Road,
Coimbatore 641018
e-mail: rajaaandraman@gmail.com
Phone: 0422-4394591

BANKERS

State Bank of India, Garividi,
Vizayanagaram, A. P.
Yes Bank Ltd, Coimbatore
Federal Bank Ltd, Coimbatore
UCO Bank Ltd, Coimbatore

REGISTERED OFFICE

“Indsil House”, T.V. Samy Road (west)
R.S. Puram,
Coimbatore 641002.
e-mail id: indsilho@indsil.com
Phone: 0422 4522922,23
Fax: 0422 4522925

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

CIN: U27101TZ2008PTC02850 7

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

NOTICE OF THE 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 10th Annual General Meeting of the Company will be held at its Registered Office at "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore on **Thursday, the 18th May, 2017** at 10.00 a.m. to transact the following business:

Members are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statement as at 31st March, 2017 together with the Directors' Report and Auditor's Report thereon.
2. To appoint **Raja & Raman**, Chartered Accountants, Coimbatore as Statutory Auditors of the Company to hold office for a term of 5 (five) year from the conclusion of the ensuing 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting subject to the ratification of their re-appointment at every Annual General Meeting, at such remuneration as may be decided by the Board of Directors of the Company.

On behalf of the Board,

Coimbatore
17.04.2017


S CHAKRAPANI
DIRECTOR
DIN: 00036226


S THANGARAJ
DIRECTOR
DIN: 06459324

Notes:

1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy should be a member of the Company. The proxy form should be lodged at the Registered Office of the Company atleast 48 hours before the commencement of the meeting.

On behalf of the Board,

Coimbatore
17.04.2017


S CHAKRAPANI
DIRECTOR
DIN: 00036226


S THANGARAJ
DIRECTOR
DIN: 06459324

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

DIRECTORS' REPORT

To

The Shareholders,

Ladies and Gentlemen,

Your Directors have great pleasure in presenting the 10th Annual Report on the business and operation of the Company together with the Audited statement of accounts of the Company for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS (STANDALONE):

Particulars	(Rs.in lakhs)	
	31.03.2017	31.03.2016
Income for the Year	77.23	864.86
Expenditure for the year excluding Depreciation and Amortization Expenses	189.68	1183.54
Profit or Loss Before Depreciation and Amortization Expenses	(112.44)	(318.69)
Less : Depreciation and Amortization Expenses	77.72	77.35
Profit or Loss after Depreciation and Amortization Expenses (Before Tax)	(190.17)	(396.04)
Less: Current Tax	-	-
Net Loss	(190.17)	(396.04)

REVIEW OF OPERATIONS (STATE OF THE COMPANY'S AFFAIRS):

Your Company registered gross sales of Rs. 36.70 lakhs and lease revenue of Rs. 40.53 lakhs for the year 2016-17, compared to Rs.846.69 lakhs during the previous year 2015-16. The Company has incurred a net loss of Rs.190.17 lakhs.

FUTURE OUTLOOK:

The Company's plant and machinery are leased to its holding Company Indsil Hydro Power and Manganese Limited for a period of 11 months w.e.f. from 28.09.2016. Barring unforeseen circumstances, this arrangement is expected to continue.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Due to recessionary trends in manganese alloy industry and a very high power charges, the Company was forced to shut down its smelting operations in May 2015. However, the Andhra Pradesh Government has come out with a policy measure to boost manufacturing sentiments in the State by lower electricity cost to the Company on a monthly basis. In view of that, Board of Directors of the Company decided to lease the properties of the Company such as part of the land and entire existing Plant and Machinery of the Company with its Holding Company M/s. Indsil Hydro Power & Manganese Ltd in order to operate that plant on silico manganese or ferro chrome production as the case may be.

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

SHIFTING OF REGISTERED OFFICE:

The Registered Office of the Company was shifted from Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535102 to Indsil House, T.V.Samy Road West, R S Puram, Coimbatore 641002 with effect from 14th day of February, 2017.

DIVIDEND:

No dividend was declared for the financial year ended 31st March, 2017.

RESERVES:

The Company has not transferred any amount to General Reserve during the Financial Year 2016-17.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

During the year under review, 9 (Nine) meetings of Board of Directors were held.

15.04.2016, 27.07.2016, 03.09.2016, 23.09.2016, 28.09.2016, 07.11.2016, 19.12.2016, 21.01.2017 and 22.02.2017.

PAIDUP SHARE CAPITAL:

The paid-up Capital of the Company as at 31.03.2017 stood at 4291857 Equity Shares of Rs.10/- aggregating Rs.4,29,18,570/-.

INSURANCE:

All the properties of the Company including buildings, plant & machinery and stocks are adequately insured.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company were in receipt of remuneration, which in the aggregate exceeded the limits prescribed Section 134 of the Companies Act, 2013 read with the Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DEPOSITS:

No deposits have been received or renewed during the year under review.

DIRECTORS:

There is no change in the constitution of the Board of Directors of the Company.

DETAILS OF HOLDING COMPANY, SUBSIDIARY COMPANY AND ASSOCIATE COMPANY:

1. Holding Company

Indsil Hydro Power and Manganese Limited continue to be the holding Company.

2. Associate Company

Indsil Energy and Electrochemicals Private Limited (holds 49% of Equity Shares of the Company) treated as an Associate Company as per Section 2 (6) of the Companies Act, 2013.

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has not developed any Corporate Social Responsibility initiative as the said provisions are not applicable.

RISK MANAGEMENT POLICY:

The implementation of Risk Management Policy is not applicable for the Financial Year 2016-17.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

AUDITORS:

The Board of Directors of the Company recommend M/s Raja & Raman, Chartered Accounts, Coimbatore to be appointed as Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the ensuing 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting subject to the ratification of their re-appointment at every Annual General Meeting, at such remuneration as may be decided by the Board of Directors.

COMPANY POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provisions of Section 178 (1) relating to the constitution of the Nomination and Remuneration Committee are not applicable to the Company.

POLICY ON SEXUAL HARASSMENT OF WOMEN:

The Company has adopted an Anti-Sexual Harassment Policy in conformity with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. There is no issue reported so far under this Act.

DISCLOSURE ON SPECIFIED BANK NOTES (SBN)

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E) dated, 30th March, 2017. The details of SBNs held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

(Amount in Rs.)

CASH AT FACTORY	SBNs	OTHER DENOMINATION NOTES	TOTAL
Closing cash in Hand as on 08.11.2016	-	10,95,342	10,95,342
Add: -Permitted receipts	-	20,000	20,000
Less: -Permitted Payments	-	26,675	26,675
Closing cash in Hand as on 30.12.2016	-	10,88,667	10,88,667

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans given, investments made, guarantees given and securities provided pursuant to the provisions of Section 186 of the Companies Act, 2013 have been given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions entered during the financial year 2016-17 are at arm's length basis and in the ordinary course of business. The details of transactions pursuant to the provisions of Section 188(1) of the Companies Act, 2013 have been given in the notes to the Financial Statements. Form No.AOC-2 pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as "**Annexure-1**".

DETAILS OF INTERNAL FINANCIAL CONTROLS:

The Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations.

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

The information on foreign exchange earnings and outgo, technology absorption, conservation of energy stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are furnished in "**Annexure-2**" to this report.

ANNUAL RETURN:

The extract of the Annual Return in Form MGT-9 pursuant to the Provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in "**Annexure-3**" to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (C) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- i. in preparation of the Annual Accounts for the Financial Year ended 31st March, 2017 the applicable accounting standards have been followed and there is no material departures from the same.
- ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year.
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2017 on a going concern basis.
- v. the Directors had laid down internal financial controls to be followed by the Company and that such internal controls are adequate and were operation effectively.
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: "Indsil House", T.V. Samy Road (west) R.S. Puram, Coimbatore 641002.

BANKERS

Services are being availed from the Federal Bank Limited, State Bank of India, Yes Bank Limited and UCO Bank Limited.

ACKNOWLEDGEMENT

Your Directors are extremely thankful to the Bankers, staff and shareholders for the confidence reposed by them.

On behalf of the Board,

Coimbatore
17.04.2017


S CHAKRAPANI
DIRECTOR
DIN: 00036226


S THANGARAJ
DIRECTOR
DIN: 06459324

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Annexure- 1

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.
2. Details of contracts or arrangements or transactions at **arm's length** basis:

Sl No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Indsil Energy and Electrochemicals Private Limited	Sale/Purchase of raw materials and finished goods	01.04.2016 to 31.03.2017	Nil	Pre - approval by the Board of Directors at its meeting held on 15.04.2016	Nil
2	Indsil Hydro Power and Manganese Limited	Sale/Purchase of raw materials and finished goods	01.04.2016 to 31.03.2017	Sale/Purchase of raw materials and purchase of finished goods for an aggregate value of Rs.38.53 Lakhs		Nil
3	Indsil Hydro Power and Manganese Limited	Leasing of Properties	01.04.2016 to 31.03.2017	Leasing of plant & machinery of the Company for an aggregate value of Rs. 25.50 lakhs		Nil

Place: Coimbatore

Date: 17.04.2017

On behalf of the Board,



S CHAKRAPANI

DIRECTOR

DIN:00036226



S THANGARAJ

DIRECTOR

DIN:06459324

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Annexure -2

TO DIRECTORS' REPORT

INFORMATION REQUIRED UNDER SECTION 134 (3)(m) OF THE COMPANIES ACT, 2013.

A. CONSERVATION OF ENERGY

- a. Steps taken for Conservation of Energy : At the time of installation of the equipment, sufficient devices have already been incorporated to conserve energy. These devices and furnace operation practices based on indigenous technology have resulted in maintaining the industry standards of consumption.
- b. Steps taken by the Company For utilizing alternate sources of energy : Not applicable
- c. The Capital investment on energy conservation equipments : Not applicable

B. TECHNOLOGY ABSORPTION

- a. Efforts made towards technology absorption : The Company through R & D in process control has consistently improved the performance through innovative practices developed and perfected in-house.
- b. Benefits derived like product improvement, cost reduction, product development or import substitution : The metallurgical balance and recovery rates achieved through in-house R&D had made this Company outstanding in performance when compared with other industries in this class.
- c. In case of imported technology : The Company has developed indigenously Raw Material charging systems and stocking machines.
- d. Expenditure incurred on R&D : R & D is done on a continuous basis and products with critical specification and better grades have been achieved. This is a continuous process industry, development of newer and better products is achieved as a part of regular manufacturing process and therefore no separate cost allocation can be done for R & D.

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs.in Lakhs)

Foreign Exchange Earnings and outgo	Current Year 31.03.2017	Previous Year 31.03.2016
Earnings (Export)	-	-
Expenditure	-	-
Total	-	-

Initiatives taken to increase exports : The Company is taking efforts to increase the exports by constant quality improvements, change of product and penetrating a wider customer base.

On behalf of the Board,

Coimbatore
17.04.2017


S CHAKRAPANI
DIRECTOR
DIN: 00036226


S THANGARAJ
DIRECTOR
DIN: 06459324

EXTRACT OF ANNUAL RETURNfor the financial year ended 31st March 2017

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:-	U27101TZ2008PTC028507
2.	Registration Date	16.07.2008
3.	Name of the Company	SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
4.	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office and contact details	"INDSIL HOUSE" T.V. SAMY ROAD (WEST) R.S. PURAM COIMBATORE TN 641002
6.	Whether listed Company	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NOT APPLICABLE

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:-

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sale of Silico Manganese	72023000	--

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	INDSIL HYDRO POWER AND MANGANESE LIMITED "Indsil House" T V Samy Road (West) R. S. Puram, Coimbatore 641 002	L27101TZ1990PLC002849	Holding Company	51	2(46)
2	INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED "Indsil House" T V Samy Road (West) R. S. Puram, Coimbatore 641 002	U04010TZ1996PTC007421	Associate Company	49	2(6)

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

a. **Category-wise Share Holding**

Category of shareholders	No of shares held at the beginning of the year 01.04.2016				No of shares held at the end of the year 31.03.2017				% change during the
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoter									
(1) INDIAN									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	4291857	4291857	100	-	4291857	4291857	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	4291857	4291857	100	-	4291857	4291857	100	-
(2) FOREIGN									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	4291857	4291857	100	-	4291857	4291857	100	-
B. Public Shareholding									
(1) INSTITUTIONS									

a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
(2) NON- INSTITUTIONS									
(a) Bodies Corporate									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs 1 Lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-

Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding(B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4291857	4291857	100	-	4291857	4291857	100	-

b. Shareholding of Promoters:

S. No	Shareholder's Name	No of shares held at the beginning of the year 01.04.2016			No of shares held at the end of the year 31.03.2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total shares	
1	M/s. Indsil Hydro Power and Manganese Limited	2188847	51.00	-	2188847	51.00	-	-
2	M/s.Indsil Energy and Electrochemicals Private Limited	2103010	49.00	-	2103010	49.00	-	-
	Total	4291857	100.00	-	4291857	100.00	-	-

c. Change in Promoters' Shareholding (please specify, if there is no change)

S. No	Particulars	Shareholding at the beginning of the Year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Indsil Hydro Power and Manganese Limited At the beginning of the year	2188847	51.00	2188847	51.00
	Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	2188847	51.00	2188847	51.00
2	Indsil Energy And Electrochemicals Private Limited At the beginning of the year	2103010	49.00	2103010	49.00
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year	2103010	49.00	2103010	49.00

D. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holder of GDRs and ADRs): NIL

S. No	Particulars	Shareholding at the beginning of the Year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

E. Shareholding of Directors and KMP (only Directors): NIL

Sl No	Particulars	Shareholding at the beginning of the Year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Name of the Directors				
1	CHAKRAPANI SRINIVASAN	-	-	-	-
2	RAMAKRISHNAN KOTTARATHIL	-	-	-	-
3	SUBBIA THANGARAJ	-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	456.66	2567.56	-	3024.21
ii. Interest due but not paid	-	137.45	-	137.45
iii. Interest accrued but not due				
Total (i+ii+iii)	456.66	2705.00	-	3161.66
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(229.07)	-	-	(229.07)
Net Change	(229.07)	-	-	(229.07)
Indebtedness at the end of the Financial Year				
i. Principal Amount	227.58	2567.56	-	2795.14
ii. Interest due but not paid	-	137.45	-	137.45
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	227.58	2705.00	-	2932.59

IX

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI No	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross Salary		
	(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		
	- As % of profit	-	-
	- Others, specify..		
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

SI No.	Particulars	Name of Directors			Total Amount
1	Independent Directors				
	• Fee for attending board /committee meetings	-	-	-	-
	• Commission				
	• Others, please specify				
	Total (1)				
	Other Non- Executive Directors				

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	<ul style="list-style-type: none"> • Fee for attending board /committee meetings • Commission • Others, please specify 	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+ 2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

SI No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary (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	Not applicable			
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others, please specify	-	-	-	-
	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

A. Company

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give Details)
Penalty	Nil				
Punishment					
Compounding					

B. Directors

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give Details)
Penalty	Nil				
Punishment					
Compounding					

C. Other Officers in Default

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give Details)
Penalty	Nil				
Punishment					
Compounding					

On behalf of the Board of Directors

Place : Coimbatore
Date : 17.04.2017


S THANGARAJ
DIRECTOR


S CHAKRAPANI
DIRECTOR

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED("the Company"), which comprise the Balance Sheet as at 31stMarch 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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



Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017.
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure – B'. 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, 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.
 - ii. The company does not have long term contracts including derivative contracts.
 - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company.

For Raja and Raman
Chartered Accountants
Firm Registration No: 003382S


K.R. RANGARAJAN
Partner
Membership No: 224928

Place: Coimbatore

Date: 17th April, 2017



ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of **M/S.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED** for the year ended 31stMarch 2017. We report that

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties of the company shown under the Fixed Assets Schedule are held in the name of the Company.
2. The Inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no discrepancies were noticed at the time of verification.
3. The Company has not granted loans, secured or unsecured, to Companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The Company has not given any loans/investments/guarantees to which the provisions of Section 185 and 186 of the Act apply.
5. The Company has not accepted any deposits to which the provisions of Sec 73 to 76 and other relevant provisions of the Act and the rules made there under and the directions issued by the Reserve Bank of India are applicable. Hence Para 3(v) of the order is not applicable to the company.
6. The Central Government has not prescribed maintenance of cost records u/s 148(1) of the Companies Act for any of the products of the Company. The paragraph 3(vi) of CARO is not applicable.



7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Undisputed statutory dues including PF, or ESI, income tax, sales tax, service tax, duty of customs, duty of excise, VAT, cess have been regularly deposited by the company with the appropriate authorities in all cases during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- b) There are no dues of income tax, sales tax, service tax, excise duty, VAT and cess which have not been deposited on account of any dispute.

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved
The Customs Act, 1962	Customs Duty and Interest	CESTAT, Bengaluru	2012-13	Rs. 12,59,485/-

8. Based on our audit procedures, we are of the opinion that the company has not defaulted in repayment of dues to banks, financial institutions, and Government or debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year, therefore the provisions of section 197 read with Schedule V to the Act is not applicable to the Company.



12. The Company is not a Nidhi company and therefore paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and therefore Para 3(xiv) of the order is not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Raja and Raman

Chartered Accountants

Firm Registration No: 003382S

K.R. RANGARAJAN

Partner

Membership No: 224928

Place: Coimbatore

Date: 17th April, 2017



Annexure - B to the Independent Auditors' Report

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 Sree Mahalakshmi Smelters Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



overfinancial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raja and Raman
Chartered Accountants
Firm Registration No: 003382S


K.R. RANGARAJAN
Partner
Membership No: 224928

Place: Coimbatore

Date: 17th April 2017


1055/11, First Floor, Gowtham Centre,
Avanashi Road, Coimbatore - 641 018,
Phone: 4394591, 2245591. Tele Fax: +91422 -2246591. E - Mail: rajaandraman@gmail.com

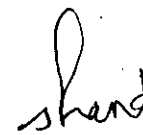
M/s.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
"INDSIL House", T.V.Samy Road West,
R.S.Puram, Coimbatore - 641 002.
BALANCE SHEET AS AT MARCH 31, 2017


Particulars	Note No	31.03.2017		31.03.2016	
		₹		₹	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	1	4,29,18,570		4,29,18,570	
(b) Reserves and Surplus	2	(16,59,98,474)	(12,30,79,904)	(14,69,81,869)	(10,40,63,299)
(2) Non-Current Liabilities					
(a) Long-term borrowings	3	26,95,14,033		27,91,59,136	
(b) Other Long term liabilities	4	1,37,44,765		1,37,44,765	
(c) Long Term Provisions	5	1,10,29,627		1,04,30,985	
(3) Current Liabilities					
(a) Short-term borrowings	6	-	29,42,88,425	22,079	30,33,34,886
(b) Trade payables	7	14,51,94,186		12,60,21,110	
(c) Other current liabilities	8	1,95,48,427		2,34,83,494	
(d) Short-term provisions	9	2,87,321		3,48,978	
			16,50,29,934		14,98,75,661
Total			33,62,38,456		34,91,47,249
II.Assets					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	10	14,13,69,693		14,84,14,109	
(ii) Intangible assets		4,54,334		5,70,417	
(b) Other non-current assets	11	7,75,88,005		7,75,38,005	
(c) Deferred tax assets (net)		6,80,34,137	28,74,46,169	6,80,34,137	29,45,56,668
(2) Current assets					
(a) Inventories	12	4,11,84,648		4,39,08,283	
(b) Trade receivables	13	15,71,748		19,19,821	
(c) Cash and cash equivalents	14	13,60,138		35,70,395	
(d) Short-term loans and advances	15	46,75,753		51,92,082	
			4,87,92,287		5,45,90,581
Total			33,62,38,456		34,91,47,249

For and on behalf of the Board

Vide our report of even date attached


S. CHAKRAPANI
 Director


S. THANGARAJ
 Director

For RAJA & RAMAN
 Chartered Accountants
 Firm Registration Number : 003382S

K.R. Rangarajan, FCA
 Partner
 M.No.224928

Place : Coimbatore
 Date : 17 th April, 2017

M/s.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
"INDSIL House", T.V.Samy Road West,
R.S.Puram, Coimbatore - 641 002.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No	31.03.2017		31.03.2016	
		₹		₹	
I. Revenue from operations	16	36,69,658		8,46,69,979	
II. Other Income	17	40,53,699		18,15,633	
III. Total Revenue (I +II)			77,23,357		8,64,85,612
<u>IV. Expenses:</u>					
Cost of materials consumed	18	32,59,276		1,43,67,422	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	26,210		4,48,80,280	
Employee benefit expenses	20	26,06,505		57,55,319	
Financial costs	21	42,09,313		1,78,54,435	
Depreciation and amortization expense	22	77,72,330		77,35,068	
Other expenses	23	88,66,328		3,54,96,953	
Total Expenses			2,67,39,962		12,60,89,477
V. Profit before exceptional and extraordinary items and tax	(III - IV)		(1,90,16,605)		(3,96,03,865)
VI. Exceptional Items					
VII. Profit before extraordinary items and tax (V - VI)			(1,90,16,605)		(3,96,03,865)
VIII. Extraordinary Items					
IX. Profit before tax (VII - VIII)			(1,90,16,605)		(3,96,03,865)
X. Tax expense: (1) Current tax (2) Deferred tax					-
XI. Profit/(Loss) from the period from continuing operations	(VII-VIII)		(1,90,16,605)		(3,96,03,865)
XII. Profit/(Loss) for the period (XI + XIV)			(1,90,16,605)		(3,96,03,865)
XVI. Earning per equity share: (1) Basic (2) Diluted			(4.43)		(9.23)

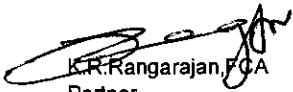
For and on behalf of the Board

Vide our report of even date attached


S. CHAKRAPANI
Director


S. THANGARAJ
Director

For RAJA & RAMAN
Chartered Accountants
Firm Registration Number : 003382S


K.R. Rangarajan, FCA
Partner
M.No.224928

Place : Coimbatore
Date : 17 th April, 2017

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 ST MARCH 2017

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before tax	(1,90,16,605)	(3,96,03,865)
Adjustments for		
Interest Receipts	15,53,699	(18,15,633)
Depreciation	77,72,330	77,35,068
Financial charges & Interest	42,09,313	1,78,54,435
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(54,81,263)	(1,58,29,995)
Adjustments for changes in		
Inventories	27,23,635	4,80,64,847
Trade receivables	3,48,073	35,05,232
Other advances	5,16,329	46,05,775
Trade Payables	1,91,73,076	(1,57,07,751)
Current liabilities	(39,96,724)	(3,19,13,239)
Cash generated from operations	1,32,83,126	(72,75,131)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	1,32,83,126	(72,75,131)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6,11,831)	(52,77,970)
Interest received	(15,53,699)	18,15,633
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(21,65,530)	(34,62,337)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Repayment of Long term borrowings	(96,45,103)	13,37,58,550
Increase in other Long term loans and advances	5,98,642	
Increase/(Decrease) in other Non-current assets	(50,000)	
Increase/(Decrease) in Short term Borrowings	(22,079)	(10,31,84,527)
Financial Charges & Interest	(42,09,313)	(1,78,54,435)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(1,33,27,852)	1,27,19,589
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(22,10,256)	19,82,121
Cash and Cash Equivalents as on 01.04.2016 (Opening Balance)	35,70,395	15,88,274
Cash and Cash Equivalents as on 31.03.2017 (Closing Balance)	13,60,138	35,70,395

For and on behalf of the Board


S. CHAKRAPANI
 Director


S. THANGARAJ
 Director

As per our report of even date

For M/s. RAJA AND RAMAN
 Chartered Accountants
 Firm Reg.No.00382S


K.R. Rangarajan, FCA
 Partner
 M.No.224928

Place : Coimbatore
 Date : 17 th April, 2017

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes annexed to and forming Part of the Balance Sheet as at 31st March, 2017

Note : 1 Share Capital

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	AUTHORIZED CAPITAL 43,00,000 Equity shares of Rs. 10 Each	4,30,00,000	4,30,00,000
		4,30,00,000	4,30,00,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL <i>To the Subscribers of the Memorandum</i> 42,91,857 Equity shares of Rs. 10 Each	4,29,18,570	4,29,18,570
	Total in ₹	4,29,18,570	4,29,18,570

a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2017 ₹	31.03.2016 ₹
At the beginning of the period (42,91,857 Equity shares of Rs. 10 Each)	4,29,18,570	4,29,18,570
Issued During the Period	-	-
Outstanding at the end of the period	4,29,18,570	4,29,18,570

i. Terms / rights attached to equity shares

The company has issued only one class of equity shares having face value of ₹10 each. Each holder of equity shares is entitled to one vote per share.

ii) The reconciliation of the number of shares outstanding is set out below:

Name of Shareholder	31.03.2017		31.03.2016	
	Number	₹	Number	₹
Equity Shares at the beginning of the year	42,91,857	4,29,18,570	42,91,857	4,29,18,570
Add: Issues during the year	-	-	-	-
Equity Shares at the end of the year	42,91,857	4,29,18,570	42,91,857	4,29,18,570

iii) Details of Shareholder's holding more than 5% of Shares:

Sr. No	Name of Shareholder	31.03.2017		31.03.2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Indsil Hydro Power and Manganese limited	21,88,847	51.00%	21,88,847	51.00%
2	Indsil Energy and Electrochemicals Private Limited	21,03,010	49.00%	21,03,010	49.00%
	Total	42,91,857	100.00%	42,91,857	100.00%

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes annexed to and forming Part of the Balance Sheet as at 31st March, 2017

Note : 2 Reserve & Surplus

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
	I.Surplus (Profit & Loss Account)		
	Balance as per last Financial Statements	(14,81,49,297)	(10,85,45,432)
	Add: Profit/(Loss) for the Year	(1,90,16,605)	(3,96,03,865)
	Depreciation Adjustment		-
	Closing Balance	(16,71,65,902)	(14,81,49,297)
	II.Security Premium Account		
	Balance as per last Financial Statements	11,67,428	11,67,428
	Closing Balance	11,67,428	11,67,428
	Total	(16,59,98,474)	(14,69,81,869)

Note : 3 Long Term Borrowings

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Term Loan - From Bank Federal Bank Limited(Non Current)	1,27,58,457	2,24,03,560
2	Loans and advances from related Parties	25,67,55,576	25,67,55,576
	Total in	26,95,14,033	27,91,59,136

The Company has availed term loan of Rs.6 Crore from Federal Bank Limited repayment in 24 equal quarterly installments. The loans is secured by way of first paripasu charge on the fixed assets of the company along with Yes Bank

Note: 4 Other Long Term Liabilities

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Others INTEREST PAYABLE USL	1,37,44,765	1,37,44,765
	Total	1,37,44,765	1,37,44,765

Note : 5 Long Term Provisions

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Liability on Fuel Surcharge	1,10,29,627	1,04,30,985
	Total	1,10,29,627	1,04,30,985

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes annexed to and forming Part of the Balance Sheet as at 31st March, 2017

Note: 6 Short Term Borrowings

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Loan Repayable on Demand		
	- From Bank	-	22,079
	Total in	-	22,079

Note: 7 Trades Payable

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Total Outstanding dues of Micro and Small enterprises	-	-
2	Total Outstanding dues of Creditors other than Micro and Small enterprises	14,51,94,186	12,60,21,110
	Total in	14,51,94,186	12,60,21,110

Note : 8 Other Current Liabilities

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	God a/c	11	11
2	Audit Fees Payable		75,000
3	Electricity Charges Payable	95,27,416	1,26,133
4	Liability for Expenses	21,000	20,000
5	Advances From Customers		0
6	Term Loan Reapyable within One year	1,00,00,000	2,32,62,350
	Total in	1,95,48,427	2,34,83,494

Note : 9 Short Term Provisions

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Provision For Employees Benefit		
	Employee Provident Fund Payable	12,090	29,072
	Salary, Wages & Bonus Payable	2,54,672	3,13,176
2	Other Statutory Dues Payable		
	TDS Payable	11,659	6,180
	Sales Tax Payable	-	-
	Professional Tax Payable and Swatch Bharat Cess	8,900	550
	Total in	2,87,321	3,48,978

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

DEPRECIATION SCHEDULE FOR THE YEAR ENDED 31ST MARCH, 2017 (BOOK PURPOSE)

Sl. No.	Description of Asset	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK			
		Cost as on 01.04.2016	Additions	Deletions	Cost as on 31.03.2017	Upto 01.04.2016	For the Year	Withdrawn	Adjusted in Reserve / P&L A/c	Upto 31.03.2017	WDV as on 31.03.2017	WDV as on 31.03.2016
1(a)	Land	72,60,999	-	-	72,60,999	-	-	-	-	-	72,60,999	72,60,999
1(b)	Tangible assets: Buildings:											
	Non-Factory Buildings (RCC)	16,18,441	-	-	16,18,441	1,72,410	54,675	-	-	2,27,085	13,91,356	14,46,031
	Factory Buildings (RCC & Non-RCC)	4,06,92,128	5,10,417	-	4,12,02,545	70,90,592	12,78,947	-	-	83,69,539	3,28,33,006	3,36,01,536
	Fences, Wells, Tube wells	10,92,430	-	-	10,92,430	2,66,494	55,537	-	-	3,22,031	7,70,399	8,25,936
	Temporary Structure, etc	-	-	-	-	-	-	-	-	-	-	-
2	Plant and Machineries:											
	Plant and Machineries (General)	10,88,79,122	95,334	-	10,89,74,456	2,57,49,040	49,42,673	-	(17,45,600)	2,89,46,113	8,00,28,343	8,31,30,082
3	Furniture and Fittings	1,51,451	-	-	1,51,451	1,41,424	418	-	(442)	1,41,400	10,051	10,027
4	Motor Vehicles:											
	Two Wheelers	58,665	-	-	58,665	18,180	6,499	-	-	24,679	33,986	40,485
	Lorries (Running on hire)	-	-	-	-	-	-	-	-	-	-	-
	Lorries (Other than running on hire)	51,83,312	-	-	51,83,312	23,39,054	9,20,866	-	-	32,59,920	19,23,392	28,44,258
	Motor Cars (Own use)	-	-	-	-	-	-	-	-	-	-	-
5	Office Equipments	4,48,479	6,080	-	4,54,559	4,00,913	9,430	-	-	4,10,343	44,216	47,566
6	Computers and Data Processing Units: Servers and Networks	-	-	-	-	-	-	-	-	-	-	-
	Computers, Printers, UPS, etc.	3,17,037	-	-	3,17,037	2,99,486	1,415	-	284	3,01,185	15,852	17,551
7	Lab Equipments	-	-	-	-	-	-	-	-	-	-	-
8	Electrical Installations	2,46,54,903	-	-	2,46,54,903	54,65,265	39,37,045	-	(18,05,500)	75,96,810	1,70,58,093	1,91,89,638
9	Intangible assets: Computer Software	9,23,899	-	-	9,23,899	3,53,482	1,16,083	-	-	4,69,565	4,54,334	5,70,417
	Others	-	-	-	-	-	-	-	-	-	-	-
	Total	19,12,80,866	6,11,831	-	19,18,92,697	4,22,96,340	1,13,23,588	-	(35,51,258)	5,00,68,670	14,18,24,027	14,89,84,526
	Previous year figures	18,60,02,894	52,77,972	-	19,12,80,866	3,45,61,272	1,08,02,071	-	(30,67,003)	4,22,96,340	14,89,84,526	15,14,41,624

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes annexed to and forming Part of the Balance Sheet as at 31st March, 2017

Note : 11 Other Non- Current Assets

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1)	Security Deposit		
	a) Secured, Considered Good :	2,26,60,086	2,26,10,086
II)	Other Loans & Advances		
	FUEL SURCHARGE - PAID UNDER PROTEST	5,49,27,919	5,49,27,919
	Total in	7,75,88,005	7,75,38,005

Note : 12 Inventories

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Raw Material	4,09,29,668	4,20,02,148
2	Finished Goods	2,54,980	2,81,190
3	Stores and Consumables and Packing Materials	-	16,24,945
	Total in	4,11,84,648	4,39,08,283

Note: 13 Trade Recievables

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Outstanding for more than six months		
	a) Secured, Considered Good :		
2	Others		
	a) Secured, Considered Good :	15,71,748	19,19,821
	Total in	15,71,748	19,19,821

Note: 14 Cash & Cash Equivalent

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Cash-in-Hand		
	Cash in hand	11,09,879	11,07,458
	Sub Total (A)	11,09,879	11,07,458
2	Bank Balance		
	Balances with Banks	2,50,259	24,62,937
	Sub Total (B)	2,50,259	24,62,937
	Total [A + B + C]	13,60,138	35,70,395

Note :15 Short Terms Loans and Advances

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Others		
	Staff Advances	1,10,000	62,596
2	Other Advances receivables from Staturoty Department		
	(a) TDS and Tax Refund Receivables	8,89,848	23,42,480
	(b) Cenvat Credit Receivables	13,19,567	19,40,954
	(c) Vat Credit	5,40,625	8,46,052
	(d) Interest on EB Deposit Receivabls and Prepaid Expenses	18,15,713	-
	Total in	46,75,753	51,92,082

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes Annexed to and Forming Part of the Profit & Loss Accounts as at 31st March 2017

Note : 16 Revenue from Operations

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Domestic Sales	36,69,658	1,37,84,627
2	Export Sales	-	7,00,44,433
		36,69,658	8,38,29,060
	Other Operating Income		
	Export Incentives	-	8,40,919
	Total in `	36,69,658	8,46,69,979

Note : 17 Other Income

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Interest Income	15,53,699	18,15,633
2	Lease Rental Income	25,00,000	-
	Total in `	40,53,699	18,15,633

Note : 18 Cost of Material Consumed

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
a)	CONSUMPTION OF RAW MATERIALS		
	Inventory at the beginning of the period	4,20,02,148	4,48,60,863
	Add : Purchaes	5,61,831	1,15,08,707
		4,25,63,979	5,63,69,570
	Less : Sale of Raw Materials	16,24,965	
	Less : Inventory at end of the period'	4,09,29,668	4,20,02,148
	Raw Material consumed During the year	32,59,276	1,43,67,422
	Total in `	32,59,276	1,43,67,422

Note : 19 Change in Inventories

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
	Finished Goods and WIP		
	Opening Stock	2,81,190	4,51,61,470
	Less: Closing Stock	2,54,980	2,81,190
	Total in `	26,210	4,48,80,280

Note : 20 Employee Benefit Expenses

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Salaries, Wages Bonus, PF & ESIC	26,06,505	56,47,978
3	Staff & Labour Welfare Expenses	-	1,07,341
	Total in `	26,06,505	57,55,319

SREE MAHALAKSHMI SMELTERS (P) LTD

Notes Annexed to and Forming Part of the Profit & Loss Accounts as at 31st March 2017

Note :21 Financial Cost

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Interest on Working Capital Facilities	4,93,901	130,23,036
2	Interest on Term loan	37,09,630	81,31,820
3	Bank Charges	5,782	1,64,417
4	Exchange Fluctuation	-	34,64,838
	Total in	42,09,313	1,78,54,435

Note : 22 Depreciation & Amortised Cost

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Depreciation	77,72,330	77,35,068
	Total in	77,72,330	77,35,068

Note : 23 Other Administrative Expenses

Sr. No	Particulars	31.03.2017 ₹	31.03.2016 ₹
1	Postage, Telephone Expenses		2,55,775
2	Consumption of Stores and Spares	3,84,191	14,00,997
3	Power and Fuel Expenses	64,09,098	2,67,46,280
4	Travelling Expenses	97,484	4,37,546
5	Repair & Maintenance	3,25,834	8,55,764
6	General Expenses	1,06,046	1,38,470
7	Insurance Expenses	2,87,184	1,71,520
8	Legal Expenses	3,000	-
9	Professional Charges	74,100	6,76,423
10	Security service charges	7,56,026	13,65,223
11	Service Tax		74,089
12	Auditors Remuneration		1,25,000
13	Rent Rates & Taxes	2,92,184	1,19,718
14	Sales Promotion Expenses		1,19,851
15	Advertisement & Publicity	19,200	-
16	Subscription & donation	66,370	1,51,000
17	Discount		67,963
18	Packing, Freight & Forwarding		26,60,094
19	Sales Commission		1,22,120
20	Filing Fees	45,611	9,120
	Total in	88,66,328	3,54,96,953

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Notes to the financial statements

Note No:1 Accounting standards, Additional disclosures and notes on accounts

A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

The financial statements are prepared on accrual and going concern basis under the historical convention method. Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialise

C. Inventories

Inventories are valued at cost of net realizable value whichever is lower. Costs of raw materials held by the Company are stated on weighted average basis. In case of goods in transit, cost represents the cost incurred up to the stage at which the goods in transit.

D. Cash flow statement

Cash flows are reported using "Indirect Method" as prescribed under Accounting Standard AS-3.

E. Revenue Recognition

- a) Accrual basis of accounting is followed by the Company for all regular sources of income and expenses.
- b) Sales of goods are recognized when the risk and rewards of ownership are passed on to customers, which is generally on dispatch of goods.
- c) Dividend, Interest, Lease Rent other income are accounted on accrual basis except those items with significant uncertainties'.

F. Fixed Assets and Depreciation

- a) Fixed Assets are stated at original cost net of tax/duty credit availed if any, less accumulated depreciation. Cost include pre-operative expenses and all expenses related to acquisition and installation of the concerned assets
- b) Depreciation on Fixed Assets is provided on straight line method in accordance with the rate specified under the Schedule II of the Companies Act, 2013. Individual Assets costing Rs.5000 or less are depreciated fully in the year of Purchase.

G. Foreign Currency Transaction

- a) Foreign Currency transactions are recorded at exchange rates prevailing on the date of such transaction.
- b) Foreign currency Assets and liabilities at the end of the year are realigned at the exchange rate prevailing at the year and difference is recognized in the statement of Profit and Loss.

H. Investments

The Company does not have any Non-current investment

I. Retirement Benefits

- a) The contribution to Provident Fund is made as per provisions of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 and remitted to the Provident Fund Commissioner and the contributions are charged to the Statement of Profit and Loss Account.

J. Borrowing Costs

Interest on Borrowings, if any, attributable to acquisition of qualifying assets are capitalized and included in the cost of the asset, as appropriate. All other borrowing costs are charged to revenues. A qualifying asset is an asset that necessarily requires substantial period of time to get ready for its intended use or sale.

K. Taxes on Income

- a) Current Tax is determined as per the provisions of the Income Tax Act, 1961 in respect of taxable income for the year and based on the applicable rates for the relevant assessment year
- b) Deferred Tax liabilities and Assets are recognized on timing differences between accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantially enacted as on the date of the balance sheet.

L. Impairment of Fixed Assets

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- a) The provision for impairment loss, if any, required or;
 - b) The reversal, if any, required of impairment loss recognized in previous periods.
- Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

M. Segmental Reporting

The entire operation of the Company relates to only one segment viz, manufactures Silica-manganese/ Ferro-silicon therefore segment/product-wise details are not applicable.

N. Provisions

A provision is recognized when there is a present obligation as a result obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that may but probably will not require an outflow of resources. Where there is possible obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

O. Fuel Surcharge Paid under protest

The Company has paid Rs.5.49 Crore fuel Surcharge under protest to APEPDCL and same is expected to be returned in the case of positive decision from the court. The advance is grouped under other advances in the asset side of the Balance Sheet.

P. Unsecured loan from Related Parties :

During the Financial Year, the Company has not taken loan from any person, body corporate, firms or other parties (including relatives) as per the applicable provisions of the Companies Act, 2013, if any. However, the unsecured loans outstanding for the previous year as per Note no. IV Long Term Borrowings of the Financial Statements as mentioned below:

Particulars	Amount (in Cr.)
Indsil Energy and Electro chemicals Private Limited	1.87
Indsil Hydro Power and Manganese Limited	23.80

ADDITIONAL INFORMATION TO BALANCE SHEET:**a. Related party disclosures**

- a) Holding Company : M/s.Indsil Hydro Power and Manganese Limited
- b) Associate Company : M/s.Indsil Energy and Electro chemicals Limited

c) Transactions during the year with related parties:-**Rs. In lakhs**

Particulars	Holding Company	Associate Company	Total	Previous Year
Sales	38.53	-	38.53	-
Lease Rent Income	25.00	-	25.00	-
Trade Payables	1007.19	380.91	1388.10	1177.46

b. Earnings per Share

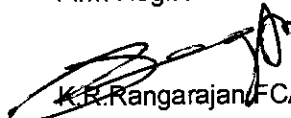
Particulars	31.3.2017	31.03.2016
Profit/(Loss) after tax in Rs.	(1,90,16,605)	(3,96,03,865)
Weighted average Number of equity shares outstanding	42,91,857	42,91,857
Basic & Diluted EPS (Rs)	(4.43)	(9.23)

c. Dues to Micro, Small & Medium Enterprises

The management has taken steps to identify the Micro, Small and Medium Enterprise vendor based on information currently available with the company. There are no dues to MSME – Vendors and hence disclosure relating to such vendors under Micro, Small and Medium Enterprise Development Act,2006 are not furnished.

- d. Balances of sundry debtors, Loans & advances are subject to confirmation. Adjustment if any will be considered in the accounts in the period of such confirmation.
- e. Previous period figures have been re-grouped, reclassified and accordingly disclosed as per requirement of revised Schedule VI.

For Raja and Raman
Chartered Accountants
Firm Reg.No.003382S


K.R. Rangarajan, FCA,
Partner
Membership No.224928


S.Chakrapani
Director

S.Thangaraj
Director



PLACE: COIMBATORE
DATE: 17th April, 2017