

**SREE MAHALAKSHMI SMELTERS PRIVATE  
LIMITED**

**6<sup>TH</sup> ANNUAL REPORT 2012-13**

# SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

6<sup>TH</sup> ANNUAL REPORT FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2013

**BOARD OF DIRECTORS** :

1. SRI S CHAKRAPANI, DIRECTOR
2. SRI S THANGARAJ, DIRECTOR
3. SRI K SARAVANAN, DIRECTOR

**AUDITORS**

CA M RAMA RAO  
KOTHAGARAHARAM  
VIZIANAGARAM - 535 001  
ANDHRA PRADESH.

**BANKERS**

STATE BANK OF INDIA, GARIVIDI,  
VIZAYANAGARAM, A. P.

YES BANK LTD, COIMBATORE  
FEDERAL BANK LTD, COIMBATORE  
AXIS BANK, COIMBATORE

**REGISTERED OFFICE**

MERAKAMUDIDAM MANDALAM  
VIZIANAGARAM DISTRICT  
GARBHAM - 535 102  
ANDHRA PRADESH.

**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED  
NOTICE OF THE SHARE HOLDERS**

NOTICE is hereby given that the 6<sup>th</sup> Annual General Meeting of the Company will be held at the Registered Office of the Company at Merakamudidam Mandalam, Garbham – 535 102, A.P on Monday, 31<sup>st</sup> March 2014 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 audited Balance Sheet as at 30<sup>th</sup> September, 2013 and the Statement of Profit and Loss, for the period ended on that date together with the Directors' Report, Secretarial Compliance Certificate and Auditor's Report thereon.
2. To Appoint CA M Ramarao Vizanagaram, Andhra Pradesh Chartered Accountant as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors of the Company.

**SPECIAL BUSINESS**

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

" RESOLVED THAT Sri S Chakrapani, who was co-opted as an Additional Director of the Company on the Board as per Article 44 of the Articles of Association of the Company and who holds Office till the conclusion of the ensuing Annual General Meeting be and is hereby appointed as a Director of the Company".

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

" RESOLVED THAT Sri S Thangaraj, who was co-opted as an Additional Director of the Company on the Board as per Article 44 of the Articles of Association of the Company and who holds Office till the conclusion of the ensuing Annual General Meeting be and is hereby appointed as a Director of the Company".

On behalf of the Board

  
S CHAKRAPANI  
DIRECTOR

Coimbatore  
Date : 5.3.2014

**NOTES:**

1. A member entitled to attend and vote at the meeting is also entitled to appoint another person as proxy to attend and vote instead of himself and a proxy need not be a member.
2. Proxies in order to be effective must be received in the prescribed form by the Company at the registered office not less than 48 hours before the time set out for the commencement of the meeting.

On behalf of the Board

  
S CHAKRAPANI  
DIRECTOR

Coimbatore  
Date : 5.3.2014

## **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

### **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors are pleased to present the 6<sup>th</sup> Annual Report of your Company together with the Audited statements of account for the period ended 30<sup>th</sup> September 2013 (Financial year being from 1/4/2012 to 30/9/2013)

#### **FINANCIAL RESULTS:**

<b>Particulars</b>	Rs.in Lakhs
	<b>30.09.2013</b>
Profit/(Loss) before depreciation & financial charges	283.93
Less: Depreciation	110.85
Profit/(Loss) before Financial Charges	173.08
Less: Financial Charges	440.36
<b>NETPROFIT/( LOSS)</b>	<b>(-)267.28</b>

#### **REVIEW OF OPERATIONS**

Sales for the year was of Rs.5038 lakhs as against Rs.1286 lakhs for the previous period of 6 months from October 2011 to March 2012. Profitability was affected due to increase in the cost of main inputs. Company is taking steps to improve pfofitability in an appropriate maner.

#### **DIVIDEND:**

The question of recommending a dividend does not arise.

#### **DEPOSITS**

Your Company has not accepted any Deposits within the meaning of Section 73 of Companies Act, 2013 and Rules made thereunder from the public or it employees during the year under review.

#### **DIRECTORS**

During the period from 1.4.2012 to 30.9.2013, Sri S Chakrapani and Sri S Thangaraj were appointed as Additional Directors of the Company on 30<sup>th</sup> December 2012 as per Article 44 of the Articles of Association of the Company.

The Form No.32 was filed for appointment of Additional Directors with Registrar of Companies, Hyderabad. The regularization of said Directors are provided in the Notice of this report.

Sri S N Varadarajan and Sri Vinod Narsiman Directors of the Company resigned from the Board on 17<sup>th</sup> January 2013. The Form 32 was filed for the resignation of these Directors with the Registrar of Companies, Hyderabad.

#### **STATUTORY AUDITORS**

The Company's Statuary Auditor Sri CA M Ramarao is retiring at the conclusion of this Annual General Meeting, being eligible, offer himself for re-appointment.

**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

**COMPLIANCE CERTIFICATE**

A copy of the Compliance Certificate from a firm of Practicing Company Secretaries in Whole Time practice as to the compliance of the provisions of the Companies Act, 1956 is attached to the Directors' Report.

**PARTICULARS OF EMPLOYEES**

With regard to the requirements under Section 217(2A) of the Companies Act, 1956 none of the employees of the Company are drawing more than the prescribed limits.

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

NIL

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company confirms that : -

- i. in preparation of the Annual Accounts, the applicable accounting standards have been followed.
- ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss Account of the Company for that period.
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. the Directors had prepared the Annual Accounts on a going concern basis.

**ACKNOWLEDGEMENT**

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

**For and On behalf of the Board**

Place : Coimbatore

Date : 5.3.2014



**S Chakrapani  
Director**

X  
CHK

**COMPLIANCE CERTIFICATE  
FORM  
[SEE RULE 3]**

To,  
**The Members**  
**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED,**  
**Andhra Pradesh-535102.**

Corporate Identity Number	U27101AP2008PTC060147
Authorized Share Capital	Rs. 4,30,00,000.00

I have examined the registers, records, books and papers of **M/s SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **30<sup>th</sup> September 2013** (the financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made there under.
3. The Company being Private Limited Company has the minimum prescribed paid up capital and its number of members during the said financial year was **2 (Two)** excluding its present and past employees and the Company under review:
  - a. Has not invited public to subscribe for its shares or debentures and
  - b. Has not invited or accepted any deposits from persons other than its Members, Directors or their Relatives.
4. The Board of Directors duly met **13 (Thirteen)** times respectively on the following dates:

16 <sup>th</sup> April 2012	21 <sup>st</sup> May 2012	2 <sup>nd</sup> July 2012	20 <sup>th</sup> July 2012	14 <sup>th</sup> August 2012
30 <sup>th</sup> December 2012	17 <sup>th</sup> January 2013	31 <sup>st</sup> January 2013	9 <sup>th</sup> March 2013	18 <sup>th</sup> March 2013
6 <sup>th</sup> May 2013	19 <sup>th</sup> June 2013	30 <sup>th</sup> August 2013		



In respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose. There were no circular resolutions passed during the financial year under review.

5. The Company was not required to close its Register of Members or Debenture holders during the financial year.
6. Annual General Meeting for the period ended 31<sup>st</sup> March 2012 was held on 24.12.2012.
7. The Company being a Private Company, Section 295 of the Act is not applicable.
8. The Company has duly complied with the provisions of section 297 of the act in respect of contracts specified in that section.
9. The Company has made necessary entries in the register maintained under section 301 of the Act.
10. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
11. The Company has not issued any duplicate share certificates during the financial year.
12. The Company has
  - a. Not allotted shares or securities during the financial year under review and not entertained any transfer or transmission of any shares or securities during the year under review.
  - b. Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - c. Not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - d. No amounts in unpaid divided account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
  - e. Duly complied with the requirements of section 217 of the Act.
13. The Board of Directors of the Company is duly constituted and there were no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancies during the financial year under review.



**Continuation Sheet.....**

14. The Company being a Private Company, provisions of section 269 of the act with regard to appointment of Managing Director / Whole time Director / Manager are not applicable.
15. The Company has not appointed any sole selling agents during the financial year under review.
16. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and or such authorities prescribed under the various provisions of the Act during the financial year.
17. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
18. The Company has not issued any shares during the financial year under review.
19. The Company has not bought back any shares during the financial year under review.
20. There was no redemption of preference shares or debentures during the financial year.
21. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
22. The Company being a Private Company has not invited / accepted any deposits from public within the meaning of section 58A & 58AA and rules framed there under.
23. The Company, being a Private Company, the borrowings made during the financial year do not attract provisions of section 293(1)(d) of the Act.
24. The Company being a Private Company, the provisions of section 372A of the act are not applicable.
25. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
26. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.





**Continuation Sheet.....**

27. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
28. The Company has not altered its Articles of Association of the Company during the year under review.
29. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the act.
30. The Company has not received any money as security from its employees during the financial year u/s 417 (1) of the act.
31. The Company has not constituted a separate provident fund trust for its employee or class of its employees as contemplated u/s 418 of the act.

**Place: Andra Pradesh**

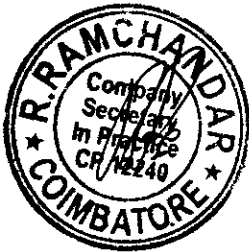
**Date: 5<sup>th</sup> March 2014**

**Signature:**

**Name of The Company Secretary:**

**C.P. No: 12240**

**A RAMCHANDAR, B Com ACS**  
**Company Secretary Inpractice**  
**CP No: 12240**



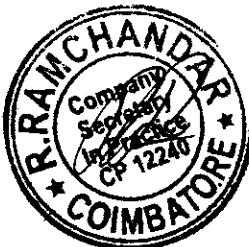
**ANNEXURE -A-****REGISTERS AS MAINTAINED BY THE COMPANY**

S. NO	REGISTERS MAINTAINED	RELEVANT SECTIONS
1.	Register of Members	150
2.	Register of Directors, Managers	303
3.	Register of Directors Shareholdings	307
4.	Register of Investments	49
5.	Register of Contracts	301
6.	Minutes Books of Board Meeting	193
7.	Minutes Books of General Meeting	193
8.	Register of Charges	125

**Annexure B**

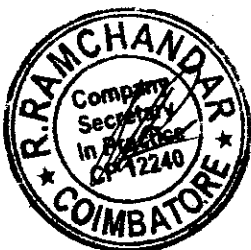
Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government of other authorities during the financial year ending on **30<sup>th</sup> September 2013**. Other than those forms and returns filed by the Company but held by ROC, RD, and MCA either pending for user clarification or pending resubmission and returns filed by statutory auditors under section 224(1A) of the Act.

Sl No.	Form No. / Returns	Filed under Section (s)	In respect of	Date of Filing	Whether filed within prescribed period Yes / No	If delay in filing whether requisite additional fee paid Yes / No
1	Form 32	303(2)	Appointment of Additional Director on 23.03.2012	19.04.2012 SRN (B37227329)	YES	NO



**Continuation Sheet.....**

2	Form 8	125	Creation of Charge on 11.06.2012	13.07.2012 SRN (B43177195)	NO	YES
3	Form 8	125	Creation of Charge on 09.06.2012	07.08.2012 SRN (B44956456)	NO	YES
4	Compliance Certificate dated 05.03.2012 (Form 66)	383A	Compliance Certificate For the year ended 30.09.2011	06.10.2012 SRN (P89497754)	NO	YES
5	Schedule V (Form 20B)	159	Annual return dt 31.03.2012	15.10.2012 SRN (P90374562)	NO	YES
6	Form 23AC and 23ACA	220	Balance Sheet and Profit and Loss Account for the year ending 30.09.2011	16.10.2012 SRN (P90437187)	YES	NO
7	Form 32	303(2)	Appointment of Director on 22.03.2012	17.10.2012 SRN (B59808972)	NO	YES
8	Form 32	303(2)	Appointment of two Additional Director on 30.12.2012	18.01.2013 SRN (B66189242)	YES	NO
9	Form 32	303(2)	Resignation two Directors on 17.01.2013	18.01.2013 SRN (B66190240)	YES	NO
10	Form 8	135	Modification of Charge on 21.03.2013	25.03.2013 SRN (B71067607)	NO	YES
11	Form 8	135	Modification of Charge on 09.03.2013	07.05.2013 SRN (B74441379)	NO	YES
12	Compliance Certificate dated 01.12.2012 (Form 66)	383A	Compliance Certificate For the year ended 31.03.2012	31.07.2013 SRN (Q907594769)	NO	YES



Continuation Sheet.....

13	Form 23AC XBRL	220	Balance Sheet and Profit and Loss Account for the year ending 31.03.2012	23.08.2013 SRN (Q10364545)	NO	YES
14	Schedule V (Form 20B)	159	Annual return dt 24.12.2012	02.09.2013 SRN (Q10704047)	NO	YES



## AUDITOR'S REPORT

TO THE MEMBERS OF SREE MAHALAKSHMI SMELTERS (PVT) LIMITED,

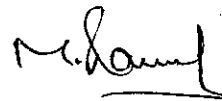
We have audited the attached Balance Sheet of SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED, as at 30th September 2013 and also the Profit & Loss Account for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said order:
3. Further to our comments in the Annexure referred to the above, we report that:
  - a) We have 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 appears from our examination of those books;
  - c) The Balance Sheet and Profit and Loss Account, dealt with by this Report, are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and Profit & Loss Account, dealt with by this report comply with the Accounting Standards, referred to in sub-section (3C) of Section 211 of the Companies Act, 1956,

- e) On the basis of the written representation received from the Directors as on 30th September 2013, and taken under on record none of the Directors are disqualified as on 30th September 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with attached schedules and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet, of the state of the Company's affairs as at 30th September 2013; and
- ii) In the case of the Profit & Loss Account, of the Loss for the period ended on that date.

Place : Vizianagaram  
Date : 05.03.2014



  
(CA. M.RAMARAO)  
MM NO.202214

M. RAMA RAO  
Chartered Accountant  
4-1-24, Kothagraharam, Vizianagaram  
M.No. 202214

**ANNEXURE TO THE AUDITORS' REPORT  
TO THE MEMBERS OF PRIVATE LIMITED,**

1. a) The Company is maintaining proper records to show full particulars, including Quantitative details and situation of fixed assets.  
b) The fixed assets of the Company are physically verified by the management during the period in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.  
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. a) As per information and explanation given to us, inventories have been physically verified by the management at regular intervals during the year.  
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) The Company has maintained proper records of inventories and there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. a) The Company has neither granted any loans, secured or unsecured, to Companies, firms or other parties listed in the Register maintained u/s. 301 of the Companies Act, 1956.  
b) During the year the Company has not taken any loan from Companies, firm or other parties covered in the Register maintained u/s. 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for purchase of inventory, fixed assets and for sale of goods. Further, on the basis of our examination of the books and records of the Company and according to the information and explanation given

to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. a) In our opinion and according to the information and explanations given to us, the transaction that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956, have been so entered.
- b) In our opinion and according to the information and explanations given to us the transactions exceeding the value of Rupees Five Lakhs have been entered into during the financial year, are at prices which are reasonable having regard to the prevailing market prices at the relevant time except in case of some transactions where we are unable to comment owing to the unique and specialized nature of the items involved and absence of any comparable prices, whether the transactions are made at prevailing market prices.
6. The Company has not accepted any deposits from the public within the meaning of Sec. 58A and Sec. 58AA of the Act and rules framed there under.
7. In our opinion, the Company's present internal audit system is commensurate with its size and the nature of its business.
8. According to the information and explanations given to us, there are no undisputed amounts of duties and taxes outstanding for a period of more than six months from the date they became payable as on the balance sheet date
9. The Company has an accumulated loss of Rs.5,58,24,147/- as at 30th September 2013 and it has incurred a loss of Rs. 1,92,05,914/- during the period ended on that date.
10. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders as at the Balance sheet date.
11. As per information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way pledge of shares, debentures and other securities.
12. The provisions of any special statute applicable to chit fund/ nidhi / mutual benefit fund/ societies are not applicable to the Company.



13. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
14. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the period.
15. The Company has taken term loan during the current year. As per information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
16. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
17. The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained u/s. 301 of the Act during the period.
18. The Company has not issued any debentures during the period.
19. The Company has not raised any money by public issue during the period.
20. In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported by the Management during the period, that ultimately causes the financial statements to be materially misstated.

Place : Vizianagaram  
Date : 05/03/2014



*M. Rama Rao*

(CA. M. RAMARAO)  
MM NO.202214

M. RAMA RAO  
Chartered Accountant  
4-1-24, Kothagraharam, Vizianagaram  
M.No. 202214

**M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
Merakamudidam Mandal, Garbham, Vizianagaram Dist., A.P - 535102  
**BALANCE SHEET AS AT 30TH SEPTEMBER 2013**

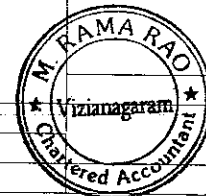
PARTICULARS	Note No.	On 30/09/2013		On 31/03/2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's funds</b>					
(a) Share Capital	I	42,918,570		42,918,570	
(b) Reserves and Surplus	II	(54,656,719)		(35,450,805)	
(c) Money received against share warrants			(11,738,149)		7,467,765
<b>2. Share application money pending allotment</b>		-		-	
<b>3. Non-current liabilities</b>					
(a) Long-term borrowings	III	213,484,927		148,901,818	
(b) Deferred Tax liabilities (Net)					
(c) Other Long term liabilities	IV	11		-	
(d) Long-term Provisions				-	
			213,484,938		148,901,818
<b>4. Current Liabilities</b>					
(a) Short term borrowings	V	67,807,751		67,046,667	
(b) Trade payables	VI	47,645,291		64,839,372	
(c) Other current liabilities	VII	1,048,858		1,942,801	
(d) Short term provisions	VIII	34,056,215		8,171,636	
			150,558,115		142,000,476
<b>TOTAL</b>			<b>352,304,904</b>		<b>298,370,059</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	IX				
(i) Tangible assets		165,296,922		128,246,795	
(ii) Capital work-in-progress		907,899		34,421,079	
(b) Non-current investments					
(c) Deferred tax assets (net)		17,693,684		10,172,202	
(d) Long-term loans and advances	X	22,586,686		15,771,886	
(e) Other non-current assets	XI	-		-	
			206,485,191		188,611,962
<b>2. Current assets</b>					
(a) Current investments					
(b) Inventories	XII	73,323,628		77,233,429	
(c) Trade receivables	XIII	24,767,256		15,067,226	
(d) Cash and Cash equivalents	XIV	2,339,324		5,621,094	
(e) Short-term loans and advances	XV	45,389,505		11,836,348	
(f) Other current assets					
			145,819,713		109,758,097
<b>TOTAL</b>			<b>352,304,904</b>		<b>298,370,059</b>

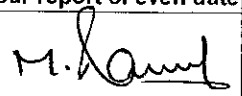
For and on behalf of the Board

As per our report of even date

  
S. CHAKRAPANI  
Director

  
S. THANGARAJ  
Director



  
CA M RAMARAO

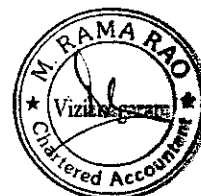
Place : Coimbatore

Date: 05/03/2014

MM. NO. 202214

**M. RAMA RAO**  
Chartered Accountant  
4-1-24, Kothagraharam, Vizianagarāni  
M.No. 202214

<b>M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED</b>			
NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2013			
<b>NOTE I : Share Capital</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	43,00,000 Equity shares of Rs. 10 Each	4,30,00,000	4,30,00,000
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>	4,29,18,570	4,29,18,570
	to the Subscribers of the Memorandum		
	42,91,857 Equity shares of Rs. 10 Each	4,29,18,570	4,29,18,570
	> 21,88,847 Equity Shares are held by M/s. Indsil Hydro Power & Manganese Ltd.		
	> 21,03,010 Equity Shares are held by M/s. Indsil Energy & Electrochemicals Ltd.		
<b>Sr. No</b>	<b>Particulars</b>	<b>Period (Aggregate No. of Shares)</b>	
		<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
	<b>Equity Shares :</b>		
<b>1</b>	Fully paid up pursuant to contract(s) without payment being received in cash		2,91,857
<b>2</b>	Fully paid up by way of bonus shares	-	-
<b>3</b>	Shares bought back	-	-
<b>NOTE II : Reserves &amp; Surplus</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
<b>1</b>	Opening balance		
	Reserves	- 3,66,18,233	- 3,57,87,991
	(+) Net Profit/(Net Loss) For the current year	- 1,92,05,914	- 8,30,242
	(+) Transfer from Reserves - Security Premium		
	(-) Proposed Dividends		-
	(-) Interim Dividends		-
	(-) Transfer to Reserves		-
	Closing Balance	- 5,58,24,147	- 3,66,18,233
<b>2</b>	Security Premium Account		
	Opening balance	11,67,428	-
	(+) During the year	-	11,67,428
	Closing Balance	11,67,428	11,67,428
	<b>Closing Balance</b>	<b>- 5,46,56,719</b>	<b>- 3,54,50,805</b>
Debit balance of P & L is shown as a negative figure here instead of showing it on the asset side of the			
<b>NOTE III : Long Term Borrowings</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
<b>1</b>	<b>Term Loan (Secured)</b>		
	- From Banks for Capital Assets	11,86,14,351	5,13,58,721
<b>2</b>	Loans & Advances From Related Parties	9,48,70,576	9,75,43,097
<b>3</b>	Loans From Directors		
<b>4</b>	Other Loans & Advances		
	<b>Total</b>	<b>21,34,84,927</b>	<b>14,89,01,818</b>



<b>NOTE IV : Other Long Term Liabilities</b>			
<b>Sr. No</b>	<b>Other Long Term Liabilities</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
1	(a) Trade Payables	-	-
	(b) Others	11	-
	<b>Total</b>	<b>11</b>	
<b>NOTE V : Short Term Borrowings</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
1	<b>Loan Repayable on Demand</b>		
	- From Bank ( Secured )	6,78,07,751	6,70,46,667
	<b>Total</b>	<b>6,78,07,751</b>	<b>6,70,46,667</b>
<b>NOTE VI : Trades Payable</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
1	Sundry Creditors for Materiel/Supplies:	4,65,60,424	6,06,51,206
2	Sundry Creditors for Stores & Expenses	10,84,867	41,88,166
	<b>Total</b>	<b>4,76,45,291</b>	<b>6,48,39,372</b>
<b>NOTE VII : Other Current Liabilities</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
1	Advance From Customers	10,48,858	19,42,801
2	Share application money refundable		-
	<b>Total</b>	<b>10,48,858</b>	<b>19,42,801</b>
<b>NOTE VIII : Short Term Provisions</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>30.09.2013 (In Rs.)</b>	<b>31.03.2012 (In Rs.)</b>
	<b>Provision for Employee Benefits</b>		
	Salary Payable	6,60,480	5,88,482
	Provident Fund Payable	51,848	57,505
	<b>Other short Term provisions</b>		
	Audit Fee Payable	1,62,000	-
	Electricity & Power Charges Payable	2,64,28,966	63,69,639
	Statutory Dues Payable	1,54,793	9,89,430
	Others	65,98,128	1,66,580
	<b>Total</b>	<b>3,40,56,215</b>	<b>81,71,636</b>



**NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2013**

**NOTE IX - TANGIBLE FIXED ASSETS**

Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i), (ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

Particulars	Gross Block			Disposals	Cost as on 30.09.2013	Balance as at 31.03.2012	For the period	depreciation	withdrawn on deletions	Net Block	
	Balance as at 1.4.2012	Additions	Balance as at 30.09.2013							Balance as at 30.09.2013	Balance as at 31.03.2012
<b>Tangible Assets</b>											
Land	72,60,999	-	-	-	72,60,999	-	-	-	-	72,60,999	72,60,999
Buildings (Factory)	3,80,28,751	26,63,377	-	-	4,06,92,128	18,89,581	19,05,240	-	-	3,68,97,306	3,61,39,170
Buildings (Others)	13,13,500	3,04,941	-	-	16,18,441	31,851	48,921	-	-	15,37,669	12,81,649
Electrical Equipments	2,42,50,693	1,15,45,750	-	-	3,57,96,443	18,87,568	20,22,536	-	-	3,18,86,940	2,23,63,125
P&M	6,02,06,541	3,30,29,907	-	-	9,32,36,448	47,20,918	65,60,817	-	-	8,19,54,713	5,54,85,623
Borewell	1,36,000	-	-	-	1,36,000	6,757	6,814	-	-	1,22,429	1,29,243
Vehicles - Plant	45,02,564	5,06,311	-	-	50,08,875	3,49,413	3,79,821	-	-	42,79,641	41,53,151
Computer	2,61,987	50,560	-	-	3,12,537	42,686	71,464	-	-	1,98,367	2,19,301
Furniture	4,19,179	20,700	-	-	4,39,879	38,585	41,046	-	-	3,60,248	3,80,594
Office Equipments	9,05,030	13,650	-	-	9,18,680	615	615	-	-	13,035	-
Weigh Bridge	13,72,85,244	4,81,35,186	-	-	18,54,20,430	71,090	47,786	-	-	7,86,155	8,33,940
						90,38,449	1,10,85,059	-	-	16,52,96,922	12,82,46,795
Capitals WIP	3,44,21,079	9,07,899	-	-	3,44,21,079	-	-	-	-	9,07,899	3,44,21,079
Total	17,17,06,323	4,90,43,085	-	-	18,63,28,329	90,38,449	1,10,85,059	-	-	2,01,23,508	16,62,04,821
Figures for Previous period	13,33,51,506	3,83,54,817	-	-	17,17,06,323	29,50,800	60,87,649	-	-	90,38,449	16,26,67,874
											13,04,00,706



**M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2013

**NOTE X : Long Term Loans and Advances**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
	Security Deposits Secured, considered good	2,25,86,686	1,57,71,886
	<b>Total</b>	<b>2,25,86,686</b>	<b>1,57,71,886</b>

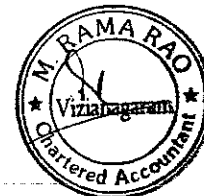
**NOTE XI : Other non-current assets**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Miscellaneous Expenditure Opening Balance		9,570
	(-) Written off during the period		9,570
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Directors *	NIL	NIL
2	Other officers of the Company *	NIL	NIL
3	Firm in which director is a partner *	NIL	NIL
4	Private Company in which director is a member	NIL	NIL
		<b>-</b>	<b>-</b>

**NOTE XII : Inventories**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
a	Raw Materials and components (Valued at cost)	4,70,46,424	3,88,29,251
	Goods-in transit	-	-
b	Work-in-progress (Valued at cost)	8,09,263	-
	Goods-in transit	-	-
c	Finished goods (Valued at lower of cost or net realisable value)	2,19,18,519	3,55,46,584
	Goods-in transit	-	-
d	Stores, spares, Pack Materials & Consumables (Valued at Cost)	35,49,422	28,57,594
	Goods-in transit	-	-
	<b>Total</b>	<b>7,33,23,628</b>	<b>7,72,33,429</b>

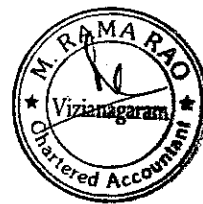


**NOTE XIII : Trade Receivables**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
	Secured, considered good	-	-
	Unsecured, considered good	2,44,99,281	1,50,67,226
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
		2,44,99,281	1,50,67,226
2	<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
	Secured, considered good	6,50,261	-
	Unsecured, considered good	-	-
	Unsecured, considered doubtful	-	3,82,286
	Less: Provision for doubtful debts	- 3,82,286	- 3,82,286
	2,67,975		
	<b>Total</b>	<b>2,47,67,256</b>	<b>1,50,67,226</b>

Trade Receivable stated above include debts due by:

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Directors *	NIL	NIL
2	Other officers of the Company *	NIL	NIL
3	Firm in which director is a partner *	NIL	NIL
4	Private Company in which director is a member	NIL	NIL
		-	



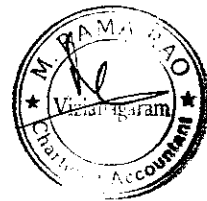
**NOTE XIV : Cash and cash equivalents**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Balances with banks	80,032	51,90,246
	Earmarked Balances (eg/- unpaid dividend accounts)		-
	Margin money		-
	Security against borrowings		-
	Guarantees		-
	Other Commitments		-
	Bank deposits with more than 12 months maturity	3,19,485	3,19,485
2	Cheques, drafts on hand		-
3	Cash on hand	19,39,807	1,11,363
	<b>Total</b>	<b>23,39,324</b>	<b>56,21,094</b>

**NOTE XV : Short-term loans and advances**

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Loans and advances to related parties		
	Secured, considered good		-
	Unsecured, considered good		-
	Doubtful		-
2	Others		
	Secured, considered good (Statutory balances)	79,25,381	20,76,767
	Unsecured, considered good		
	- Advance for Capital Expenses - Mahalakshmi & Co.	-	75,40,000
	- Advance for Purchase	1,13,30,798	10,88,069
	- Advance for Expenses	2,84,440	9,09,331
	- Prepaid Expenses	-	2,07,681
	- Other Advances	2,58,48,886	14,500
	Doubtful		
	<b>Total</b>	<b>4,53,89,505</b>	<b>1,18,36,348</b>

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Directors	NIL	NIL
2	Other officers of the Company	NIL	NIL
3	Firm in which director is a partner	NIL	NIL
4	Private Company in which director is a member	NIL	NIL
	<b>Total</b>	<b>-</b>	<b>-</b>



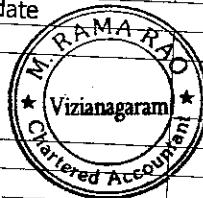


**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2013**

Particulars	Year ended	Year ended
	30.09.13	31.03.12
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit / (loss) before tax		
Adjustments for	(26,727,396)	(49,425,079)
Interest Receipts		
Depreciation	(1,847,705)	(733,296)
Financial charges & Interest	11,085,059	6,087,649
Pre operative Expenses written off	44,035,510	15,208,609
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		
Adjustments for changes in	26,545,468	(28,862,117)
Inventories		
Trade receivables	3,909,801	(17,272,692)
Other advances	(9,700,030)	(15,067,226)
Current liabilities	(33,553,157)	2,806,710
	7,796,555	24,252,503
Cash generated from operations		
	(5,001,363)	(34,142,822)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(5,001,363)</b>	<b>(34,142,822)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets		
Sale of Fixed Assets	(14,622,006)	(38,354,817)
Interest received		
	1,847,705	733,296
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(12,774,301)</b>	<b>(37,621,521)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of share capital		
Repayment of Long term borrowings	-	2,918,570
Increase in Long Term Deposits		
Increase in Long term Borrowings	(6,814,800)	(8,379,600)
Increase in other Long term liabilities	64,583,109	51,239,871
Increase in Short term Borrowings	11	-
Financial Charges & Interest	761,083	41,791,055
	(44,035,510)	(15,208,609)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>14,493,894</b>	<b>72,361,287</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(3,281,770)</b>	<b>596,944</b>
Cash and Cash Equivalents as on 1.4.2012 (Opening Balance)		
Cash and Cash Equivalents as on 30.09.2013 (Closing Balance)	5,621,094	5,024,150
	2,339,324	5,621,094

As per our report of even date

*M. Rama Rao*



*S. Chakrapani*

**S. CHAKRAPANI**  
Director

*S. Thangaraj*

**S. THANGARAJ**  
Director

CA M RAMARAO  
MM. NO. 202214

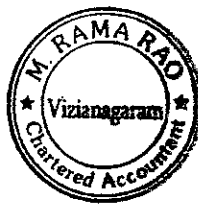
Place : Coimbatore  
Date: 05/03/2014

**M. RAMA RAO**  
Chartered Accountant

4-1-24, Kothagraharam, Vizianagaram  
M.No. 202214

**M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
 Merakamudidam Mandal, Garbham, Vizianagaram Dist., A.P - 535102  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30TH SEPTEMBER 2013**

	PARTICULARS	Note No.	01.04.2012 - 30.09.2013		01.10.2011 - 31.03.2012	
			Rs.	Rs.	Rs.	Rs.
1	Revenue from operations	XVI	50,37,74,482		12,86,62,168	
2	Other Income	XVII	20,90,614		,9,17,053	
3	<b>Total Revenue (I + II)</b>			50,58,65,096		12,95,79,221
4	Expenses					
	Cost of Materials Consumed	XVIII	26,73,34,708		7,01,88,213	
	Purchases of Stock in Trade					
	Changes in inventories of finished goods, work in progress and Stock-in- trade	X IX	1,36,28,065		- ,65,67,564	
	Other Manufacturing Expenses	X X	17,00,80,457		4,40,79,343	
	Employee benefits expense	X XI	1,27,42,385		,41,40,204	
	Finance Costs	X XII	4,40,35,510		,88,66,063	
	Depreciation and amortization expense	IX	1,10,85,059		,30,48,241	
	Other expense	X XIII	1,36,86,307		,47,40,263	
	<b>Total Expenses</b>			53,25,92,491		12,84,94,763
5	Profit before exceptional and extraordinary items and tax (III-IV)			(2,67,27,396)		,10,84,458
6	Extraordinary items					-
7	Profit before tax (V-VI)			(2,67,27,396)		,10,84,458
8	Tax expense:					
	(1) Current tax					
	(2) Mat Credit Entitlement					
	(3) Deferred tax		(75,21,482)		,19,14,700	
				(75,21,482)		19,14,700
9	Profit for the year (VII + VIII)			(1,92,05,914)		- ,8,30,242
	<b>Earnings per equity share:</b>					
	(1) Basic			(4.47)		(0.19)
	(2) Diluted			(4.47)		(0.19)



*M. Rama Rao*

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 Chartered Accountant  
 4-1-24, Kothagraharam, Vizianagaram  
 M.No. 202214

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 4-1-24, Kothagraharam, Vizianagaram  
 M.No. 202214

# M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT OR LOSS AS AT 30TH SEPTEMBER 2013

## XVI Revenue from operations

Sr. No.	PARTICULARS	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Sale of Products	51,22,41,010	13,70,42,883
		<b>51,22,41,010</b>	<b>13,70,42,883</b>
2	Less : Excise duty	2,03,37,068	,83,80,715
		<b>49,19,03,942</b>	<b>12,86,62,168</b>
	<b>Other Operating Income</b>		
	Export Incentives	1,18,70,540	...
		<b>50,37,74,482</b>	<b>12,86,62,168</b>
	<b>Detail of Revenue from operations</b>		
	Silico Manganese	49,19,03,942	12,86,62,168
	Export Incentives	1,18,70,540	...
		<b>50,37,74,482</b>	<b>12,86,62,168</b>

## XVII Other Income

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Interest Income	18,47,705	,6,81,964
2	Miscellaneous Receipts	2,42,909	2,35,089
	<b>Total</b>	<b>,20,90,614</b>	<b>,9,17,053</b>

## XVIII Cost of Materials Consumed

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
a)	<b>Consumption of Raw Materials &amp; Stores</b>	26,73,34,708	7,01,88,213

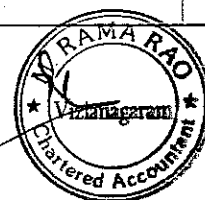
## XIX Changes in inventories of finished goods, work in progress and Stock-in-trade

Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)	(Increase)/ Decrease
1	Finished Goods: Opening Stock	3,55,46,584	31,83,66,14.00	37,09,970
	Less: Closing Stock	(2,19,18,519)	(38,40,47,80.00)	1,64,85,659
		<b>1,36,28,065</b>	<b>(6,56,75,64.00)</b>	<b>2,01,95,629</b>
	<b>Total</b>	<b>1,36,28,065</b>	<b>(6,56,75,64.00)</b>	<b>2,01,95,629</b>

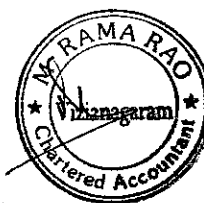
## XX Other Manufacturing Expenses


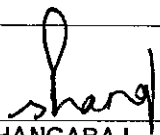
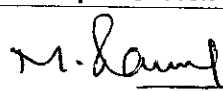
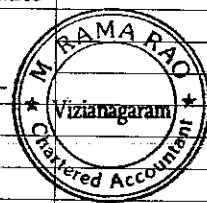
Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 (In Rs.)
1	Power & Fuel (Net)	15,41,14,922	4,00,44,176
2	Packing, Freight & Forwarding	,82,61,993	,17,88,275
3	Direct Contractual wages	77,03,542	22,46,892
	<b>Total</b>	<b>17,00,80,457</b>	<b>4,40,79,343</b>

## XXI Employee benefits expense



<b>CONSUMPTION OF RAW MATERIALS, STORES &amp; SPARES:</b>	
Opening stock - Raw materials	3,88,29,251
Add: Purchases - Raw materials	24,76,61,567
Add: Carriage I/w - Raw materials	1,86,54,701
Closing stock - Raw materials	(4,70,46,424)
	-----
<b>A.</b>	<b>25,80,99,095</b>
	=====
Opening stock - Consumables	,,,0
Opening stock - Stores	,28,57,594
Opening stock - WIP	,,,0
Add: Purchases - Consumables	,49,71,515
Add: Purchases - Stores	,56,15,189
Closing stock - Consumables	(.4,06,771)
Closing stock - Stores	(.29,92,651)
Closing stock - WIP	(.8,09,263)
	-----
<b>B.</b>	<b>,92,35,613</b>
	=====
<b>TOTAL (A + B)</b>	<b>26,73,34,708</b>
	=====



Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 ( In Rs.)
1	Salaries and wages	1,17,23,658	,34,72,770
2	Contribution to provident Fund & other Funds	4,73,767	2,33,972
3	Staff welfare expenses	5,44,960	4,33,462
	Total	1,27,42,385	,41,40,204
<b>X XII Finance Costs</b>			
Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 ( In Rs.)
1	Interest expense	4,22,71,684	89,33,396
2	Other Borrowing Costs	,17,63,825	- ,67,333
	Total	440,35,510	88,66,063
<b>IX Depreciation and amortization expense</b>			
Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 ( In Rs.)
1	Depreciation and amortization expense	1,10,85,059	,30,48,241
	Total	1,10,85,059	,30,48,241
<b>X XIII Other expense</b>			
Sr. No	Particulars	30.09.2013 (In Rs.)	31.03.2012 ( In Rs.)
1	Communication Expenses	4,92,596	1,33,616
2	Directors Remuneration	"	,75,000
3	Travelling & Conveyance	30,37,317	13,05,310
4	Repairs & Maintanance : - Plant & Machinery	21,59,551	7,98,369
5	Insurance Expenses	7,98,519	,34,040
6	Consultancy Charges	7,80,362	2,26,937
7	Security service charges	16,12,523	5,13,881
8	Stationery Expenses	1,50,848	,89,718
9	Auditors Remuneration	3,06,686	,1,800
10	Rent	,24,000	,40,000
11	Rates & Taxes	18,82,436	1,12,166
12	Subscription	2,98,136	,45,000
13	Donation	,30,866	,25,000
14	Other Selling Expenses	11,79,564	3,25,800
15	Miscellaneous Expenses	9,32,903	10,13,626
	Total	1,36,86,307	,47,40,263
For and on behalf of the Board		As per our report of even date	
			
S.CHAKRAPANI Director	S. THANGARAJ Director	CA M RAMARAO MM. NO. 202214	
Place : Coimbatore		M. RAMA RAO Chartered Accountant	
Date: 05/03/2014		4-1-24, Kothagaharam, Vizianagaram MNo. 202214	

**SREE MAHALAKSHMI SMELTERS PVT LTD**

**Statement of Stock as on 30.09.2013**

<b>A) RAW MATERIALS</b>						
SI No.	Description	Qty (MT)	Rate	Amount ( Rs.)	Amount ( Rs.)	
1	Manganese Ore	4,045.645	9,872	399,38,609		
2	Coke	40.230	19,483	7,83,801		
3	CHARCOAL	126.984	12,800	16,25,395		
4	FeMn SLAG	85.502	8,220	7,02,826		
5	DOLOMITE	37.853	1,930	,73,056		
6	Steam Coal	216.538	7,500	16,24,035		
7	Wood Blocks	42.484	2,800	1,18,955		
8	MILL SCALE	43.929	5,200	2,28,431		
9	QUARTZ	956.413	1,900	18,17,185		
10	CARBON PASTE	3.968	33,803	1,34,130		
				<b>4,70,46,424</b>	<b>4,70,46,424</b>	
<b>B) STORES AND SPARES</b>						
1	General Stores			3,33,601		
2	Electrical Stores			5,67,594		
3	Machanical Stores			20,91,456		
4	Consumables - stores			4,06,771		
						<b>33,99,422</b>
<b>C) FINISHED GOODS</b>						
1	Silico Manganese	0.600	65,000	,39,000		
2	Silico Manganese slag touch	82.800	21,475	17,78,130		
3	Ferro Manganese	8.600	56,000	4,81,600		
4	Ferro Silicon	170.370	83,000	141,40,710		
5	Silico Manganese Slag	3,973.314	300	11,91,994		
6	Ferro Manganese Slag	611.155	7,000	42,78,085		
7	Ferro Silicon Slag	9.000	1,000	,9,000		
						<b>2,19,18,519</b>



## SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

### Significant Accounting Policies and Additional notes forming part of Accounts

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#### A. SIGNIFICANT ACCOUNTING POLICIES

##### 1. Accounting Convention

The financial statements are prepared under historical cost convention, on the accrual basis of accounting and in accordance with the accounting principles generally accepted in India to comply with Accounting Standards notified under section 211 (3C) of the Companies Act 1956 ('the Act') and the relevant provisions of the Act.

##### 2. Fixed Assets & Depreciation

- a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition includes taxes, duties, freights and other incidental expenses related to the acquisition and installation of respective assets.
- b) Depreciation is provided on straight-line method at the rates prescribed under Schedule XIV of the Act. Capitalised software costs are amortised on the straight-line method over a period of two to six years as appropriate.
- c) Assets individually costs less that Rs. 5000 are fully depreciated at the rate of 100% in respect of the assets acquired, sold or discarded during the year, depreciation is provided on pro-rata basis for the period for which each asset was in use.

##### 3. Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication of impairment to the assets. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generated unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to the maximum of depreciated historical cost.

##### 4. Investments

Long term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition.

##### 5. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost of raw Material and stores is determined on weighted average cost basis. In case of goods in transit, cost represents the cost incurred up to the stage at which the goods in transit.

## **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

### **Significant Accounting Policies and Additional notes forming part of Accounts**

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#### **6. Revenue Recognition.**

The Company generally follows the mercantile system of accounting and revenue is recognized and expenditure is accounted for on their accrual.

#### **7. Employee Benefits.**

The contribution to Provident Fund is made as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and remitted to the Provident Fund Commissioner and is charged to Profit and Loss account.

#### **8. Taxes on Income**

Taxes on Income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognized on timing differences between accounting income and taxable income and quantified using the tax rates enacted or substantively enacted on the Balance Sheet date. Deferred Tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **9. Provisions & Contingent Liability**

- a) Company creates a provision when there is a present obligation as a result of past event that requires an outflow of resources and a reliable estimate can be made of the amount of obligation.
- b) Disclosure for a contingent liability is made when there is possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

#### **10. Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the financial year attributable to the equity share holders by the weighted average number of equity shares outstanding during the financial year.

#### **11. Fuel Surcharge Paid under Protest**

The company has paid Rs. 2,58,48,886/- Fuel Surcharge under protest to APEPDCL and the same is expected to be returned in the case of a positive decision from the court. The advance is grouped under other advances in the asset side of the Balance Sheet.



**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

**Significant Accounting Policies and Additional notes forming part of Account**

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**B. ADDITIONAL NOTES TO ACCOUNTS**

1. The company has license to produce Ferro Silicon, Silico Manganese, Ferro Manganese and Ferro Chrome. However during the period the company has manufactured Silico Manganese only.
2. The company has taken steps to identify the Micro, Small and Medium Enterprise Vendors based on information currently available with the company. There are no dues to MSME – vendors and hence disclosures relating to such vendors under Micro, Small and Medium Enterprises Development Act, 2006 are not furnished.
3. Balances of Sundry Debtors, Loans & Advances are subject to confirmation. Adjustments if any will be considered in the accounts in the period of such confirmation.
4. Amounts have been rounded off to the nearest rupee and previous year figures regrouped wherever necessary.
5. Previous period figures have been re-grouped, reclassified and accordingly disclosed as per the requirements of revised schedule VI.

For and on behalf of the Board



Director



Director

PLACE :Coimbatore

DATE : 05.03.2014.



CA. M. RAMARAO

MM. NO. 202214



M. RAMA RAO  
Chartered Accountant  
4-1-24, Kothagraharam, Vizianagaram  
M.No. 202214