

**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

**8<sup>TH</sup> ANNUAL REPORT**

**2014 - 15**

# **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

**8<sup>TH</sup> ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2015**

**BOARD OF DIRECTORS** :  
1. Sri S Chakrapani, Director  
2. Sri S Thangaraj, Director  
3. Sri K Saravanan, Director  
4. 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** :  
Merakamudidam Mandalam  
Vizianagaram District  
Garbham – 535 102  
Andhra Pradesh.  
e-mail id: [indsilho@indsil.com](mailto:indsilho@indsil.com)  
Phone: 08952-288222  
Fax: 08952-288333

# **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

Regd. Off: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## **NOTICE OF THE 8<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 8<sup>th</sup> Annual General Meeting of the Company will be held at its Registered Office at Merakamudidam Mandalam, Garbham, Andhra Pradesh 535 102 on **Thursday, the 31<sup>st</sup> March 2016 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 30<sup>th</sup> September, 2015 together with the Directors' Report and Auditor's Report thereon.
- 2.** To Appoint **Raja and Raman & Co.**, Chartered Accountant, Coimbatore 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 APPOINT DIRECTOR:**

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

"RESOLVED THAT Sri.K.Ramakrishnan, (DIN: 02797842), who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 12<sup>th</sup> May, 2015 and whose term expires at the 8<sup>th</sup> Annual General Meeting of the Company scheduled to be held on 31<sup>st</sup> March,2016 and for the appointment of whom the Company has received a notice in writing under Section 160 of the Companies Act,2013 from a Member, proposing the candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

##### **4. SHIFTING OF REGISTERED OFFICE:**

To consider and thought if to pass with or without modification (s) the following resolution as Special Resolution.

"RESOLVED THAT subject to the provisions of Section 12 and such other applicable provisions Companies Act, 2013, and subject to the confirmation of the Regional Director, the Registered office of the Company be shifted from the Merakamudidam, State of Andhra Pradesh to Coimbatore, State of Tamil Nadu and Clause II of Memorandum of Association of the Company be altered by substituting the words, " State of Andhra Pradesh" by the words " State of Tamil Nadu."

"FURTHER RESOLVED THAT Sri. S.Chakrapani (DIN: 00036226) and/or Sri. S Thangaraj (DIN: 06459324) Directors of the Company and / or Sri. S Mahadevan Authorised Signatory of the Company be and are hereby authorised jointly and/or severally to sign the petition, application, affidavits and such other documents as may be necessary to give effect to this resolution."

# SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

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"RESOLVED FURTHER THAT Sri. R. Ramachandar, Practicing Company Secretary, be and is hereby authorised to appear and represent the Company before the Regional Director in the matter of the petition to be filed with the Regional Director for requisite confirmation to the proposed alteration of the situation Clause of the Memorandum of Association and on behalf to make such statements, furnish such information of the Company and to do such things as may be necessary in this regard."

On behalf of the Board,

Coimbatore  
23.02.2016

  
S CHAKRAPANI  
DIRECTOR

  
S THANGARAJ  
DIRECTOR

**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  
23.02.2016

  
S CHAKRAPANI  
DIRECTOR

  
S THANGARAJ  
DIRECTOR

# **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

Regd. Off: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## **STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

### **Item No.3**

Sri.K.Ramakrishnan was co-opted as an Additional Director of the Company with effect from 12<sup>th</sup> May, 2015 by the Board of Directors of the Company. He holds office up to the conclusion of the ensuing Annual General Meeting. In the opinion of the Board, Sri.K.Ramakrishnan fulfils the condition specified in the Act and Rules made thereunder for appointment as a Director of the Company.

The Board of Directors recommends the Ordinary Resolution as set out at item no.3 of the Notice and the same are placed before the shareholders for approval.

None of the Directors are interested or concerned in this resolution except Sri.K.Ramakrishnan.

### **Item No.4**

To facilitate the Company to discharge its statutory obligations in a more effective manner, it would be in the best interests of the Company, if the Registered Office and the Administrative office are in the same place at Coimbatore. Therefore, the Board decided to shift the Registered Office of the Company from Merakamudidam, State of Andhra Pradesh to the Coimbatore, State of Tamil Nadu.

The Board of Directors recommends the resolution mentioned in item no.4 of the Notice and the same are placed before the shareholders for approval.

None of the Directors are concerned or interested in the proposed resolutions under item nos.4.

**On behalf of the Board,**

**Coimbatore  
23.02.2016**

  
**S CHAKRAPANI  
DIRECTOR**

  
**S THANGARAJ  
DIRECTOR**

# SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

Regd. Off: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## DIRECTORS' REPORT

To

The Shareholders,

Ladies and Gentlemen,

Your Directors have great pleasure in presenting the 8<sup>th</sup> Annual Report on the business and operation of the Company together with the Audited statement of accounts of the Company for the year ended 30<sup>th</sup> September, 2015.

### **FINANCIAL HIGHLIGHTS (STANDALONE):**

Particulars	(Rs.in lakhs)	
	30.09.2015	30.09.2014
Income for the Year	2569.16	3507.35
Expenditure for the year excluding Depreciation and Amortization Expenses	(2987.58)	(3958.33)
Profit or Loss Before Depreciation and Amortization Expenses	(418.42)	(450.98)
Less : Depreciation and Amortization Expenses	(95.41)	(87.78)
Profit or Loss after Depreciation and Amortization Expenses (Before Tax)	(513.83)	(538.76)
Less: Current Tax	197.61	305.80
Net Loss	(316.22)	(232.96)

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

Your Company registered gross sales of Rs.2569.16 lakhs for the year, compared to Rs.3507.35 lakhs during the previous year. The Company has incurred a net loss of Rs.316.22 lakhs due to Cost increase in main inputs.

### **FUTURE OUTLOOK:**

The continuance of the adverse market conditions and the hike in the power tariff in the State of Andhra Pradesh are the major challenges for your Company. As the struggling industry conditions, continues, the Company would wait for this phase to tide out before any major business decision are taken.

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

A huge hike in power tariff during the period under review resulted in under-utilization of operations making it difficult for the Company to operate its plant at its full capacity. This, in turn, coupled with adverse market conditions, caused severe constraints resulting the Company suffering huge financial losses and the Management was constrained to declare temporary suspension of its plant with effect from 22<sup>nd</sup> May, 2015.

# **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

Regd. Off: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## **SHIFTING OF REGISTERED OFFICE:**

The Registered Office of the Company is proposed to be shifted from Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535102 to Indsil House, T.V.Samy Road West, R S Puram, Coimbatore 641002. Appropriate resolutions have been recommended by the Board of the Directors of the Company to the Shareholders for approval.

## **DIVIDEND:**

No dividend is declared for the financial year ended 30<sup>th</sup> September, 2015.

## **RESERVES:**

The Company has not transferred any amount to General Reserve during the Financial Year 2014-15.

## **NUMBER OF MEETINGS OF BOARD OF DIRECTORS:**

During the year under review, 10 (Ten) meetings of Board of Directors were held.

13.10.2014, 06.01.2015, 21.01.2015, 02.02.2015, 02.03.2015, 31.03.2015, 12.05.2015, 27.07.2015, 23.09.2015 and 28.09.2015

## **PAIDUP SHARE CAPITAL:**

The paid-up Capital of the Company as at 30.09.2015 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.

## **DIRECTORS:**

During the year under review, Sri.K.Ramakrishnan, (DIN: 02797842), was appointed as an Additional Director of the Company, who will hold office till the conclusion of the ensuing Annual General Meeting. His appointment as Director is proposed in this ensuing Annual General Meeting.

## **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: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## **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 2014-15.

## **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 & Co., Chartered Accounts, Coimbatore to be appointed as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting for the financial year 2015-16 subject to the approval of the shareholders in the ensuing Annual General Meeting on 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.

## **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 2014-15 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.



# **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

Regd. Off: Merakamudidam Mandalam, Vizianagaram District, Garbham, Andhra Pradesh – 535 102

## **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 30<sup>th</sup> September, 2015 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 30<sup>th</sup> September, 2015 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.

## **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  
23.02.2016**

  
**S CHAKRAPANI  
DIRECTOR**

  
**S THANGARAJ  
DIRECTOR**

# SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

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 arms 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	01.10.2014 to 30.09.2015	Sale/Purchase of raw materials and purchase of finished goods for an aggregate value of Rs.100 Crores	Board meeting dated 13 <sup>th</sup> October, 2014	Nil
2	Indsil Hydro Power and Manganese Limited	Sale/Purchase of raw materials and finished goods	01.10.2014 to 30.09.2015	Sale/Purchase of raw materials and purchase of finished goods for an aggregate value of Rs.150 Crores		Nil

# 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.

C. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rs.in Lakhs)

<b>Foreign Exchange Earnings and outgo</b>	<b>Current Year 30.09.2015</b>	<b>Previous Year 30.09.2014</b>
Earnings (Export)	1747.31	2502.26
Expenditure	-	165.85
<b>Total</b>	<b>1747.31</b>	<b>2336.41</b>

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  
23.02.2016**

  
**S CHAKRAPANI  
DIRECTOR**

  
**S THANGARAJ  
DIRECTOR**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

for the financial year ended 31<sup>st</sup> March 2015

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

**I. REGISTRATION AND OTHER DETAILS:**

I.	CIN:-	U27101AP2008PTC060147
ii.	Registration Date	16.07.2008
iii.	Name of the Company	<b>Sree Mahalakshmi Smelters Private Limited</b>
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Merakamudidam Mandalam, Garbham, Andhra Pradesh 535102
vi.	Whether listed Company	No
vii.	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:-

SL 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	97%

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

<b>Sl.No</b>	<b>NAME AND ADDRESS OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>HOLDING/ SUBSIDIARY / ASSOCIATE</b>	<b>% of shares held</b>	<b>Applicable Section</b>
<b>1</b>	Indsil Hydro Power and Manganese Limited "Indsil Huse" T V Samy Road (West) R S Puram, Coimbatore 641 002	L27101TZ1990 PLC002849	Holding Company	51	2(46)
<b>2</b>	Indsil Energy And Electrochemicals Private Limited "Indsil Huse" T V Samy Road (West) R S Puram, Coimbatore 641 002	U04010TZ1996 PTC007421	Associate Company	49	2(6)

**SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of shareholders	No. Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	Demat	Physical	Total	
<b>A. Promoters</b> (1) Indian	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	4291857	4291857	-	4291857	4291857	4291857
e) Banks / FI f)	-	-	-	-	-	-	-
Any Other....	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	4291857	4291857	-	4291857	4291857	100.00
(2) Foreign	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks / FI e) Any	-	-	-	-	-	-	-
Other....	-	-	-	-	-	-	-
<b>Sub – total (A) (2):</b>	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	4291857	4291857	-	4291857	4291857	100.00





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	100.00				4291857	4291857	100.00			4291857	4291857	100.00

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	-	-
	<b>Total</b>	<b>4291857</b>	<b>100.00</b>	<b>-</b>	<b>4291857</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

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

Sl No	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>At the beginning of the year</b>					
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
<b>At the end of the year</b>					
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

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

Sl No	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		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)				

v) **Shareholding of Directors and KMP**

Sl No	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		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 beginning of the year	-	-	-	-
	At the end of the	-	-	-	-

	year ( or on the date of separation, if separated during the year)				
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#### IV. INDEBTEDNESS

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

(Rs. In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	1840.52	948.70	-	2789.22
ii. Interest due but not paid	-	119.16	-	119.16
ii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1840.52	1067.86	-	29.8.38
Change in Indebtedness during the financial year				
• Addition	-	18.29	-	18.29
• Reduction	(223.19)	-	-	(223.19)
Net Change	223.19	18.29		204.90
Indebtedness at the end of the Financial Year				
i. Principal Amount	16.17.33	948.70	-	2566.03
ii. Interest due but not paid	-	137.45	-	137.45
ii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	<b>1617.33</b>	<b>1086.15</b>	-	<b>2703.48</b>

#### V. 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 the Director	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...	-	-	-
	Others, please specify	-	-	-
	<b>Total</b>	-	-	-

**VI. 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,

Coimbatore  
23.02.2016

  
S CHAKRAPANI  
DIRECTOR

  
S THANGARAJ  
DIRECTOR



**INDEPENDENT AUDITORS' REPORT**

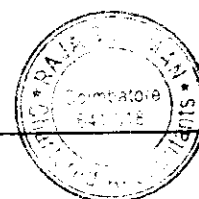
**TO THE MEMBERS OF M/S.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 30<sup>th</sup> September 2015, 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 the 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.





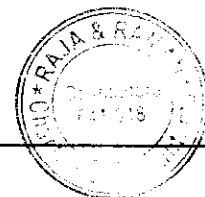
**Auditors' Responsibility**

Our responsibility is to express an opinion on the 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 afore said 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 30<sup>th</sup> September 2015;
- (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, 2015 ("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 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.



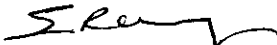


- e) On the basis of the written representations received from the directors as on 30<sup>th</sup> September 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 30<sup>th</sup> September 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 has disclosed the impact of pending litigations on its financial position in its financial statements— Refer Note 7 of Annexure to the Independent Auditors Report.
  - 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.

Place: Coimbatore

Date: 23-02-2016

For RAJA & RAMAN  
CHARTERED ACCOUNTANTS  
FRN 003382 S

  
E.R. RAJARAM, FCA.  
PARTNER  
M. No : 18755





**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in our report to the members of **M/S SREEMAHALAKSHMI SMELTERS PRIVATE LIMITED** for the year ended 30<sup>th</sup> September 2015. We report that

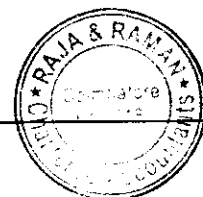
1. In respect of its Fixed Assets:

- (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 at reasonable intervals and no material discrepancies were noticed on such verification.

2. In respect of Inventories:

- (a) Inventories have been physically verified by the Management at reasonable intervals.
- (b) The procedures followed by the Management for physical verification are reasonable and adequate in relation to the size of the company and the nature of its business and there is no material discrepancies noticed on such verification.
- (c) The company is maintaining proper records of inventory and there is no material discrepancies noticed on such verification.

3. The Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year.





4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and nature of its business, for the purchase of inventory and fixed assets and for the sale of Goods and Services. We have not observed any major weaknesses in internal control systems during the course of our audit.

5. The Company has not accepted any deposits from the public.

6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act 2013.

7. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues. The company does not have any disputed statutory dues. There are no amounts required to be transferred to the Investor Education and Protection Fund.

8. The company has accumulated losses amounting to Rs. 10,95,75,655 upto 30<sup>th</sup> September 2015 and has incurred cash loss amounting to Rs. 4,18,42,905 during the financial year covered by our audit.

9. 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 or bank as at the Balance sheet date.

10. As per information and explanations given to us, the Company has not any given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.





~~11. The Company has not obtained any term loan during the current year.~~

12. 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 year, that ultimately causes the financial statements to be materially misstated.

Place : Coimbatore  
Date : 23-02-2016

For RAJA & RAMAN  
CHARTERED ACCOUNTANTS  
FRN 003382 S

E.R. RAJARAM, FCA.  
PARTNER  
M. No : 18755

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

Registered Office at Merakamudidam Mandal, Garbham, Vizianagaram Dist., A.P - 535102

**BALANCE SHEET AS AT 30TH SEPTEMBER 2015**

PARTICULARS	Note No.	As at 30.09.2015		As at 30.09.2014	
		₹		₹	
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's funds</b>					
(a) Share Capital	II	4,29,18,570		4,29,18,570	
(b) Reserves and Surplus	III	(10,95,75,655)		(7,79,53,141)	
			(6,66,57,085)		(3,50,34,571)
<b>2 Non- current liabilities</b>					
(a) Long-term borrowings	IV	12,93,89,435		15,87,73,736	
(b) Long-term Provisions	V	1,04,30,996		1,04,30,996	
			13,98,20,431		16,92,04,732
<b>3 Current Liabilities</b>					
(a) Short term borrowings	VI	9,97,14,530		9,26,48,840	
(b) Trade payables	VII	15,12,64,448		14,78,47,144	
(c) Other current liabilities	VIII	2,77,73,138		2,89,01,403	
(d) Short term provisions	IX	2,00,30,749		2,80,59,293	
			29,87,82,865		29,74,56,680
<b>TOTAL</b>			<b>37,19,46,212</b>		<b>43,16,26,842</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	X				
(i) Tangible assets		15,01,61,629		15,67,58,753	
(ii) Capital work-in-progress		-		-	
(ii) intangible Assets		6,28,617		7,26,318	
(b) Non-current investments		-		-	
(c) Deferred tax assets (net)		6,80,34,137		4,82,73,223	
(d) Long-term loans and advances	XI	2,25,90,086		2,25,86,686	
			24,14,14,469		22,83,44,980
<b>2. Current assets</b>					
(a) Current investments		-		-	
(b) Inventories	XII	6,27,69,400		10,37,14,709	
(c) Trade receivables	XIII	25,27,086		2,22,65,754	
(d) Cash and Cash equivalents	XIV	29,82,108		15,72,138	
(e) Short-term loans and advances	XV	6,22,53,150		7,57,29,260	
			13,05,31,743		20,32,81,861
<b>TOTAL</b>			<b>37,19,46,212</b>		<b>43,16,26,841</b>

For and on behalf of the Board

As per our report of even date

S. CHAKRAPANI  
Director

S. THANGARAJ  
Director

For RAJA & RAMAN  
CHARTERED ACCOUNTANTS  
FRN 003382 S

E.R. RAJARAM, FCA.  
PARTNER

Place : Coimbatore  
Date: 23-02-2016

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


Registered Office at Merakamudidam Mandal, Garbham, Vizianagaram Dist., A.P - 535102  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30TH SEPTEMBER 2015**

	PARTICULARS	Note No.	Year ended 30.09.2015		Year ended 30.09.2014	
			₹		₹	
1	Revenue from operations	XVII	25,48,02,263		34,64,63,568	
2	Other Income	XVIII	21,13,264		42,71,495	
3	<b>Total Revenue (I + II)</b>			25,69,15,527		35,07,35,063
4	Expenses					
	Cost of Materials Consumed	XIX	10,93,19,703		14,95,87,612	
	Changes in inventories of finished goods, work in progress and Stock-in-trade	X X	1,75,90,593		40,46,736	
	Other Manufacturing Expenses	X XI	12,90,38,165		19,21,65,164	
	Employee benefits expense	X XII	79,23,734		95,49,899	
	Finance Costs	X XIII	2,28,24,952		2,95,82,291	
	Depreciation and amortization expense	X XIV	95,40,523		87,78,050	
	Other expense	X XV	1,20,61,284		1,09,01,272	
	<b>Total Expenses</b>			30,82,98,954		40,46,11,024
5	Profit before exceptional and extraordinary items and tax (III-IV)			(5,13,83,428)		(5,38,75,961)
6	Extraordinary items					-
7	Profit before tax (V-VI)			(5,13,83,428)		(5,38,75,961)
8	<b>Tax expense:</b>					
	(1) Current tax					
	(2) Mat Credit Entitlement					
	(3) Deferred tax		(1,97,60,914)		(3,05,79,539)	
				(1,97,60,914)		(305,79,539)
9	Profit for the year (VII + VIII)			(3,16,22,514)		(232,96,423)
	<b>Earnings per equity share:</b>					
	(1) Basic			(7.37)		(5.43)
	(2) Diluted			(7.37)		(5.43)


For and on behalf of the Board

As per our report of even date

  
**S. CHAKRAPANI**  
 Director

  
**S. THANGARAJ**  
 Director

For RAJA & RAMAN  
 CHARTERED ACCOUNTANTS  
 FRN 003382 S

  
**E.R. RAJARAM, FCA.**  
 PARTNER  
 M. No : 18755

Place : Coimbatore  
 Date : 23-02-2016


**SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2015**

Particulars	Year ended 30.09.2015	Year ended 30.09.2014
	₹	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit / (loss) before tax	(5,13,83,428)	(5,38,75,961)
<b>Adjustments for</b>		
Interest Receipts	(20,11,264)	(20,84,389)
Depreciation	95,40,523	87,78,050
Financial charges & Interest	2,28,24,952	2,95,82,291
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(2,10,29,217)</b>	<b>(1,76,00,009)</b>
Adjustments for changes in		
Inventories	4,09,45,309	(3,03,91,081)
Trade receivables	1,97,38,668	25,01,502
Other advances	1,34,76,111	(3,03,39,755)
Current liabilities	(57,39,505)	10,49,88,461
Cash generated from operations	4,73,91,366	2,91,59,118
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>4,73,91,366</b>	<b>2,91,59,118</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(28,45,697)	(58,300)
Interest received	20,11,264	20,84,389
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(8,34,433)</b>	<b>20,26,089</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of share capital	-	-
Repayment of Long term borrowings	(2,93,84,301)	(2,72,11,191)
Increase in other Long term loans and advances	(3,400)	-
Increase in Short term Borrowings	70,65,690	2,48,41,089
Financial Charges & Interest	(2,28,24,952)	(2,95,82,291)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(4,51,46,963)</b>	<b>(3,19,52,393)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>14,09,970</b>	<b>(7,67,186)</b>
Cash and Cash Equivalents as on 1.10.2014 (Opening Balance)	15,72,138	23,39,324
Cash and Cash Equivalents as on 30.09.2015 (Closing Balance)	29,82,108	15,72,138

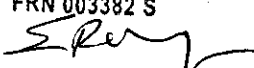
For and on behalf of the Board

As per our report of even date

  
S. CHAKRAPANI  
Director

  
S. THANGARAJ  
Director

For RAJA & RAMAN  
CHARTERED ACCOUNTANTS  
FRN 003382 S

  
E.R. RAJARAM, FCA.  
PARTNER

Place : Coimbatore  
Date: 23-02-2016

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

**NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2015**

**NOTE II : Share Capital**

Sr. No	Particulars	As at	As at
		30.09.2015	30.09.2014
		₹	₹
1	<b>AUTHORIZED CAPITAL</b> 43,00,000 Equity shares of Rs. 10 Each	4,30,00,000	4,30,00,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 42,91,857 Equity shares of Rs. 10 Each	4,29,18,570	4,29,18,570
		<b>4,29,18,570</b>	<b>4,29,18,570</b>

**i) Terms and 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**

Equity Shares	30.09.2015		30.09.2014	
	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	30.09.2015		30.09.2014	
		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%
	<b>Total</b>	<b>42,91,857</b>	<b>100.00%</b>	<b>42,91,857</b>	<b>100.00%</b>

**NOTE III : Reserves & Surplus**

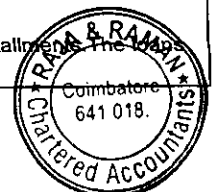
Sr. No	Particulars	As at	As at
		30.09.2015	30.09.2014
		₹	₹
1	<b>Reserves</b>		
	Opening balance	(7,91,20,569)	(5,58,24,146)
	(+) Net Profit/(Net Loss) For the current year	(3,16,22,514)	(2,32,96,423)
	Closing Balance	(11,07,43,083)	(7,91,20,569)
2	<b>Security Premium Account</b>		
	Opening balance	11,67,428	11,67,428
	(+) During the year	-	-
	Closing Balance	11,67,428	11,67,428
	<b>Closing Balance</b>	<b>(10,95,75,655)</b>	<b>(7,79,53,141)</b>

**NOTE IV : Long Term Borrowings**

Sr. No	Particulars	As at	As at
		30.09.2015	30.09.2014
		₹	₹
1	<b>Term Loan (Secured)</b> - From Banks for Capital Assets	3,45,18,859	6,39,03,160
2	<b>Un Secured Loan</b> Loans & Advances From Related Parties	9,48,70,576	9,48,70,576
	<b>Total</b>	<b>12,93,89,435</b>	<b>15,87,73,736</b>

a) The Company has availed term loan of Rs.7 Crore from Yes Bank Limited repayment in 16 equal quarterly installments. The loans is secured by way of paripasu charge on the entires assests of the company except land Land

b) 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



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

**NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2015**

**NOTE V : Other Long Term Provisions**

Sr. No	Particulars	As at 30.09.2015 ₹	As at 30.09.2014 ₹
1	(a) Others-FSA Charges	1,04,30,996	1,04,30,996
	<b>Total</b>	<b>1,04,30,996</b>	<b>1,04,30,996</b>

**NOTE VI : Short Term Borrowings**

Sr. No	Particulars	As at 30.09.2015 ₹	As at 30.09.2014 ₹
1	<u>Loan Repayable on Demand</u> - From Bank (Secured)	9,97,14,530	9,26,48,840
	<b>Total</b>	<b>9,97,14,530</b>	<b>9,26,48,840</b>

**NOTE VII : Trades Payables**

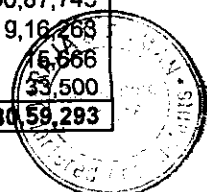
Sr. No	Particulars	As at 30.09.2015 ₹	As at 30.09.2014 ₹
1	Sundry Creditors for Materiel/Supplies:	15,05,59,298	14,26,75,969
2	Sundry Creditors for Stores & Expenses	7,05,150	51,71,175
	<b>Total</b>	<b>15,12,64,448</b>	<b>14,78,47,144</b>

**NOTE VIII : Other Current Liabilities**

Sr. No	Particulars	As at 30.09.2015 ₹	As at 30.09.2014 ₹
1	Advance From Customers	2,63,395	-
2	Current Maturties on Long Term Loan	2,75,00,000	2,75,00,000
3	Statutory Dues Payable	9,743	14,01,403
	<b>Total</b>	<b>2,77,73,138</b>	<b>2,89,01,403</b>

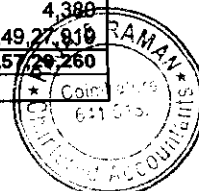
**NOTE IX : Short Term Provisions**

Sr. No	Particulars	As at 30.09.2015 ₹	As at 30.09.2014 ₹
	<b>Provision for Employee Benefits</b>		
	Salary Payable	4,07,692	7,03,813
	Provident Fund Payable	32,502	65,306
	<b>Other short Term provisions</b>		
	Audit Fee Payable	75,000	2,37,000
	Electricity & Power Charges Payable	57,50,790	1,50,87,745
	Others-Interest Payable	1,37,44,765	1,19,16,768
	Staff welfare fund	-	5,566
	Expenses payable	20,000	33,500
	<b>Total</b>	<b>2,00,30,749</b>	<b>2,80,59,293</b>



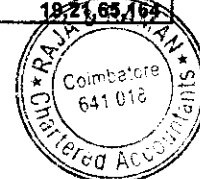


<b>M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED</b>			
<b>NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30TH SEPTEMBER 2015</b>			
<b>NOTE XI : Long Term Loans and Advances</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 30.09.2015</b>	<b>As at 30.09.2014</b>
		<b>₹</b>	<b>₹</b>
	<b>Security Deposits</b>		
	Secured, considered good	2,25,90,086	2,25,86,686
	<b>Total</b>	<b>2,25,90,086</b>	<b>2,25,86,686</b>
<b>NOTE XII : Inventories</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 30.09.2015</b>	<b>As at 30.09.2014</b>
		<b>₹</b>	<b>₹</b>
a	Raw Materials and components (Valued at cost)	6,08,63,265	8,31,10,909
b	Finished goods (Valued at lower of cost or net realisable value)	2,81,190	1,78,71,783
c	Stores, spares, Pack Materials & Consumables (Valued at Cost)	16,24,945	27,32,017
	<b>Total</b>	<b>6,27,69,400</b>	<b>10,37,14,709</b>
<b>NOTE XIII: Trade Receivables</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 30.09.2015</b>	<b>As at 30.09.2014</b>
		<b>₹</b>	<b>₹</b>
1	<u>Trade receivables outstanding for a period less than six months from the date they are due for payment</u>		
	Secured, considered good	-	-
	Unsecured, considered good	29,09,372	1,59,90,285
		<b>29,09,372</b>	<b>1,59,90,285</b>
2	<u>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</u>		
	Unsecured, considered good		66,57,755
	Less: Provision for doubtful debts	(3,82,286)	(3,82,286)
		<b>(3,82,286)</b>	<b>62,75,469</b>
	<b>Total</b>	<b>25,27,086</b>	<b>2,22,65,754</b>
<b>NOTE XIV : Cash and cash equivalents</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 30.09.2015</b>	<b>As at 30.09.2014</b>
		<b>₹</b>	<b>₹</b>
1	Balances with banks	18,85,521	4,57,081
2	Cash on hand	10,96,587	11,15,057
	<b>Total</b>	<b>29,82,108</b>	<b>15,72,138</b>
<b>NOTE XV : Short-term loans and advances</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 30.09.2015</b>	<b>As at 30.09.2014</b>
		<b>₹</b>	<b>₹</b>
1	<b>Loans and advances to related parties</b>		
	Secured, considered good	-	-
2	<b>Others</b>		
	Secured, considered good (Statutory balances)	65,40,615	1,03,04,793
	Secured, considered good (Others)	99,138	1,03,77,564
	Unsecured, considered good		
	- Advance for Purchase	6,85,478	1,14,604
	- Advance for Expenses	-	4,380
	- Other Advances-Fuel Surcharge	5,49,27,919	5,49,27,810
	<b>Total</b>	<b>6,22,53,150</b>	<b>7,57,29,260</b>



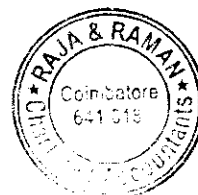
**M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT OR LOSS AS AT 30TH**  
**SEPTEMBER 2015**

<b>XVII Revenue from operations</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Sale of products	26,10,23,560	35,03,84,439
		<b>26,10,23,560</b>	<b>35,03,84,439</b>
2	Less : Excise duty	1,50,04,222	1,10,46,527
		<b>24,60,19,338</b>	<b>33,93,37,912</b>
	<b>Other Operating income</b>		
	Export Incentives	87,82,925	71,25,656
		<b>25,48,02,263</b>	<b>34,64,63,568</b>
	<b>Detail of Revenue from operations</b>		
	Silico Manganese	24,60,19,338	33,93,37,912
	Export Incentives	87,82,925	71,25,656
		<b>25,48,02,263</b>	<b>34,64,63,568</b>
<b>XVIII Other Income</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Interest Income	20,11,264	20,84,389
2	Miscellaneous receipts	1,02,000	21,87,106
	<b>Total</b>	<b>21,13,264</b>	<b>42,71,495</b>
<b>XIX Cost of Materials Consumed</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
a)	<b>Consumption of Raw Materials &amp; Stores</b>		
	<b>i. Raw Materials Consumption</b>		
	Consumptions during the year	1093,19,703	14,95,87,612
		<b>10,93,19,703</b>	<b>14,95,87,612</b>
<b>XX Changes in inventories of finished goods, work in progress and Stock-in- trade</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Finished Goods: Opening Stock	1,78,71,783	2,19,18,519
	Less: Closing Stock	(2,81,190)	(1,78,71,783)
	<b>Total</b>	<b>1,75,90,593</b>	<b>40,46,736</b>
<b>XI Other Manufacturing Expenses</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Power and fuel charges (net)	12,13,79,334	18,00,06,461
2	Packing, freight & forwarding charges	36,52,394	61,89,009
3	Direct contractual wages	40,06,437	59,69,694
	<b>Total</b>	<b>12,90,38,165</b>	<b>19,21,65,164</b>

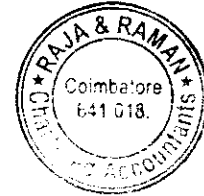


**M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT OR LOSS AS AT 30TH**  
**SEPTEMBER 2015**

<b>X XII Employee benefits expense</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Salaries and wages	72,13,269	85,82,834
2	Contribution to provident fund & other funds	3,01,144	3,57,493
3	Staff welfare expenses	4,09,321	6,09,572
	<b>Total</b>	<b>79,23,734</b>	<b>95,49,899</b>
<b>X XIII Finance Costs</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Interest expenses	2,27,52,170	2,75,41,719
2	Other borrowing costs	72,782	20,40,572
	<b>Total</b>	<b>2,28,24,952</b>	<b>2,95,82,291</b>
<b>X XIV Depreciation and amortization expense</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Depreciation and amortization expense	95,40,523	87,78,050
	<b>Total</b>	<b>95,40,523</b>	<b>87,78,050</b>
<b>X XV Other expense</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 30.09.2015 ₹</b>	<b>Year ended 30.09.2014 ₹</b>
1	Postage and Telephone expenses	3,56,954	3,26,229
2	Travelling & Conveyance	8,94,241	20,13,625
3	Advertisement	11,520	35,528
4	Repairs and maintenance charges	18,64,471	15,39,299
5	Insurance charges	3,97,268	3,62,805
6	Consultancy charges	11,03,622	12,29,424
7	Security service charges	12,79,591	11,48,585
8	Stationery expenses	63,039	88,738
9	Auditors remuneration	1,25,720	1,60,944
10	Filing fees	1,07,036	27,565
11	Rates and Taxes	4,33,452	8,47,857
12	Subscription	1,26,840	4,71,307
13	Donation- CM Relief fund and others	2,05,000	-
14	Selling expenses	48,30,650	22,71,260
15	Miscellaneous expenses	2,61,880	3,78,106
	<b>Total</b>	<b>1,20,61,284</b>	<b>1,09,01,272</b>

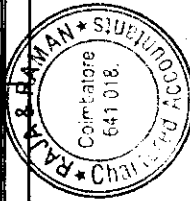


<b>M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED</b>	
<b>Computation of Deferred Tax Asset/Liability</b>	
<b>Timing Difference</b>	
<b>1.DTL Due to Depreciation</b>	
Depreciation As Per Companies Act 2013 -31.03.2015	87,37,944
Depreciation As Per Income Tax Act 1961 -31.03.2015	1,57,49,248
	70,11,305
<b>Deferred Tax Liability (A)</b>	<b>21,66,493</b>
<b>1.DTA Due to Loss</b>	
Business Loss ( Including Depreciation Loss)	22,71,86,504
<b>DTA on Above (B)</b>	<b>7,02,00,630</b>
DTA During the Year (C) = (B) - (A)	6,80,34,137
DTA Opening Balance as at 01.10.2014	4,82,73,223
<b>DTA To be Provided during the Period</b>	<b>1,97,60,914</b>



## DEPRECIATION SCHEDULE FOR THE YEAR ENDED 30th SEPTEMBER, 2015

Sl. No.	Description of Asset	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK				
		Cost as on 01.10.2014	Additions	Deletions	Cost as on 30.09.2015	Upto 01.10.2014	For the Year	Withdrawn	Adjusted in Reserve / P&L A/c	Upto 30.09.2015	WDV as on 30.09.2015	WDV as on 30.09.2014
1(a)	Land	72,60,999	-	-	72,60,999	-	-	-	-	-	72,60,999	72,60,999
1(b)	<u>Tangible assets:</u> <u>Buildings:</u> Non-Factory Buildings (RCC) Non-Factory Buildings (Other than RCC) Factory Buildings (RCC & Non-RCC) Fences, Wells, Tube wells Temporary Structure, etc	- 16,16,441 4,06,92,128 10,41,030	- - 51,400	- - -	- 16,18,441 4,06,92,128 10,92,430	90,347 51,70,743 1,64,774	54,656 12,76,731 53,672	- - -	- - -	1,45,005 64,49,474 2,38,646	- 14,73,436 3,42,42,654 6,53,784	- 15,26,094 3,55,21,365 6,56,256
2	<u>Plant and Machineries:</u> Plant and Machineries (General)	9,32,36,446	25,38,695	-	9,57,75,143	1,62,04,619	43,40,245	-	-	2,05,44,864	7,52,30,279	7,70,31,629
3	Furniture and Fittings	13,650	-	-	13,650	1,479	1,426	-	-	2,907	10,743	12,171
4	<u>Motor Vehicles:</u> Two Wheelers Lorries (Running on hire) Lorries (Other than running on hire) Motor Cars (Own use)	58,665 49,50,210	- 2,33,102	- -	58,665 51,83,312	6,423 9,85,280	6,499 6,92,901	- -	- -	14,922 16,76,181	43,743 33,05,131	50,242 39,64,930
5	Office Equipments	4,52,179	6,500	-	4,56,679	1,07,786	2,96,012	-	-	4,03,796	54,661	3,44,393
6	<u>Computers and Data Processing Units:</u> Servers and Networks Computers, Printers, UPS, etc.	3,17,037	-	-	3,17,037	1,65,188	76,674	-	53,336	2,97,196	19,639	1,51,849
7	Lab Equipments	-	-	-	-	-	-	-	-	-	-	-
8	Electrical Installations	3,58,37,943	-	-	3,58,37,943	58,01,338	23,70,465	-	-	81,71,803	2,76,66,140	3,00,36,605
9	<u>Intangible assets:</u> Computer Software Others	9,07,899	16,000	-	9,23,699	1,81,580	1,13,702	-	-	2,95,282	6,28,617	7,26,319
	<b>Total</b>	16,63,86,629	28,45,697	-	18,92,32,326	2,69,01,557	94,67,187	-	53,336	3,84,42,080	15,07,90,246	15,74,65,072
	<b>Previous year figures</b>	18,63,28,329	9,66,199	9,07,899	18,63,86,629	2,01,23,508	87,78,050	-	-	2,89,01,558	15,74,85,071	16,62,04,821



## **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 cost convention. 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 is recognized in the period in which the results are known or materialize.

##### **C. Inventories**

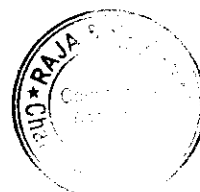
Inventories are valued at cost or net realizable value whichever is lower. Costs of raw materials held by the Company are stated on weighted average cost basis. In case of goods in transit, cost represents the cost incurred up to the stage at which the goods are in transit.

##### **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 accounting incomes and expenses.
- b) Revenue from sale 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, export incentives and 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.

#### **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.

#### **J. Borrowing Costs**

Borrowing costs 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 revenue. 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 Crores fuel Surcharge under protest to APEPDCL and same is expected to be returned in the case of positive decision from the court. The advance paid amounting to Rs.1.04 Crores is grouped under the head 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. 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	7.61

#### ADDITIONAL INFORMATION TO BALANCE SHEET:

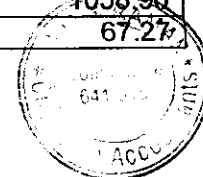
##### a. Related party disclosures

- 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
Purchases	396.68	231.16	627.84	732.04
Sales	914.01	269.18	1183.19	1677.33
Trade Payables	645.80	374.76	1020.56	1058.96
Interest	4.92	-	4.92	67.27





**b. Earnings per Share**

<b>Particulars</b>	<b>30.09.2015</b>	<b>30.09.2014</b>
Profit/(Loss) after tax in Rs.	(3,16,22,514)	(2,32,96,423)
Weighted average Number of equity shares outstanding	42,91,857	42,91,857
Basic & Diluted EPS (Rs)	(7.37)	(5.43)

**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.

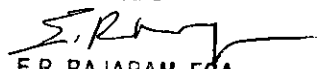
- d. Balances of sundry debtors, Loans & advances are subject to confirmation. Adjustments, if any, will be considered in the accounts in the period of such confirmation.
- e. Previous period figures have been re-grouped, reclassified and accordingly disclosed as per requirement of Schedule III.

**For and On behalf of the Board**

  
S. CHAKRAPANI  
Director

  
S. THANGARAJ  
Director

For RAJA & RAMAN  
CHARTERED ACCOUNTANTS  
FRN 003382 S

  
E.R. RAJARAM, FCA.  
PARTNER  
M. No : 18755

**PLACE:** Coimbatore  
**DATE:** 23-02-2016