

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

9TH ANNUAL REPORT

2015-16

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

9TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2016

BOARD OF DIRECTORS :

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

AUDITORS :

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

BANKERS :

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

REGISTERED OFFICE :

Merakamudidam Mandalam
Vizianagaram District
Garbham – 535 102
Andhra Pradesh.
e-mail id: 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 9TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 9th Annual General Meeting of the Company will be held at its Registered Office at Merakamudidam Mandalam, Garbham, Andhra Pradesh 535 102 on **Monday, the 16th May, 2016 at 9.30 a.m.** to transact the following business :

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

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statement as at 31st March, 2016 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. **APPROVAL FOR SUBSCRIPTION / PURCHASE OF SHARES / ISSUANCE OF CORPORATE GUARANTEES / PROVISION OF LOANS TO BODY(IES) CORPORATE**

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to invest by way of subscription of shares / purchase or acquisition of shares, issue of Corporate Guarantee(s) provide loans, to secure the loan of anybody corporate (collectively "transactions") not exceeding a sum of Rs. 100 Crores, over and above the 60% of its paid-up capital and free reserves or 100% of its free reserves, whichever is higher as prescribed under that Section, notwithstanding that the aggregate of such investments / corporate guarantees so far made / to be made / issued exceeds the limits / will exceed the limits laid down by the Act".

"RESOLVED FURTHER that the Board be and is hereby authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investment(s) / guarantees (collectively "transactions") including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer or sale, investment issue of corporate guarantee(s) or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction(s)".

On behalf of the Board,

Coimbatore
15.04.2016


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

As per Section 186 of the Act read with the Rules framed hereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate or issuance of corporate guarantee(s), the aggregate values of which exceeds 60% of its paid up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account, whichever is higher. Hence the approval of the shareholders are being sought for enabling the Company to make investment / offer guarantee or security / provide loans, acquire securities to an extent of Rs. 100 Crores over and above the limit within the powers of the Board namely 60% of its paid-up share capital, free reserves and securities premium account or 100% of the free reserves of the Company, whichever is higher. The Board is of the opinion that an enabling resolution as mentioned will empower the Board to tap the opportunities and to utilize the funds in an effective manner.

The Board of Directors of your Company considers that the proposed Special Resolution is in the interest of the Company and recommends the same for approval.

No person, as specified under Section 102(1)(a) of the Act is in anyway concerned or interested in this Resolution proposed to be passed.

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.

**Coimbatore
15.04.2016**

On behalf of the Board,


**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 9th Annual Report on the business and operation of the Company together with the Audited statement of accounts of the Company for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS (STANDALONE):

(Rs.in lakhs)

Particulars	31.03.2016 (6 months)	30.09.2015
Income for the Year	18.16	2569.16
Expenditure for the year excluding Depreciation and Amortization Expenses	(345.78)	(2987.58)
Profit or Loss Before Depreciation and Amortization Expenses	(327.62)	(418.42)
Less : Depreciation and Amortization Expenses	(46.44)	(95.41)
Profit or Loss after Depreciation and Amortization Expenses (Before Tax)	(374.06)	(513.83)
Less: Current Tax	-	197.61
Net Loss	(374.06)	(316.22)

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

Your Company registered gross sales of Rs.18.16 lakhs for the year (for a period of six months), compared to Rs.2569.16 lakhs during the previous year (for a period of 12 months). The Company has incurred a net loss of Rs.374.06 lakhs due to increase in cost of 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 22nd 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 31st March, 2016.

RESERVES:

The Company has not transferred any amount to General Reserve during the Financial Year 2015-16.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

During the year under review, 4 (Four) meetings of Board of Directors were held.

05.10.2015, 25.11.2015, 23.02.2016 and 14.03.2016.

PAIDUP SHARE CAPITAL:

The paid-up Capital of the Company as at 31.03.2016 stood at 4291857 Equity Shares of Rs.10/- aggregating Rs.4,29,18,570/-.

INSURANCE:

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

PARTICULARS OF EMPLOYEES:

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

DEPOSITS:

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

DIRECTORS:

There was no change in Board of Directors of the Company during the year under review.

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 2015-16.

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 2016-17 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 31st March, 2016 the applicable accounting standards have been followed and there is no material departures from the same.
- ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year.
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2016 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
15.04.2016


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	01.10.2015 to 31.03.2016	Sale/Purchase of raw materials and purchase of finished goods for an aggregate value of Rs.150 Crores	Board meeting dated 5 th October, 2015	Nil
2	Indsil Hydro Power and Manganese Limited	Sale/Purchase of raw materials and finished goods	01.10.2015 to 31.03.2016	Sale/Purchase of raw materials and purchase of finished goods for an aggregate value of Rs.200 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.

SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs.in Lakhs)

Foreign Exchange Earnings and outgo	Current Year 31.03.2016	Previous Year 30.09.2015
Earnings (Export)	-	1747.31
Expenditure	-	-
Total	-	1747.31

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
15.04.2016


S CHAKRAPANI
DIRECTOR


S THANGARAJ
DIRECTOR

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

for the financial year ended 31st March 2016

[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	Sree Mahalakshmi Smelters Private Limited
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	--

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Indsil Hydro Power and Manganese Limited "Indsil Huse" T V Samy Road (West) R S Puram, Coimbatore 641 002	L27101TZ1990 PLC002849	Holding Company	51	2(46)
2	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	% of Total Shares	Demat		Physical	Total	% of Total Shares
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt (s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	-	4291857	4291857	100.00	-	4291857	4291857	4291857	
e) Banks / FI f)	-	-	-	-	-	-	-	-	
Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	-	4291857	4291857	100.00	-	4291857	4291857	100.00	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	
b) Other – Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	
d) Banks / FI e) Any	-	-	-	-	-	-	-	-	
Other....	-	-	-	-	-	-	-	-	
Sub – total (A) (2):	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	4291857	4291857	100.00	-	4291857	4291857	100.00	

B. Public shareholding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-																				
2. Non-Institutions																				
a) Bodies Corp.																				
i) Indian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh																				
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh																				
c) Others (specify)																				

Sub-total (B)(2):-	-												
Total Public shareholding (B) = (B) (1)+ (B) (2)	-												-
C. Shares held by Custodian for GDRs & ADRs	-												-
Grand Total (A+B+C)		4291857	4291857	100.00		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	-		-
	Total	4291857	100.00	-		4291857	100.00	-		-

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
At the beginning of the year					
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
At the end of the year					
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)				
--	--------------------------------------------------------------------	--	--	--	--

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	1617.33	948.70	-	2566.03
ii. Interest due but not paid	-	137.45	-	137.45
ii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1086.15	-	2703.48
Change in Indebtedness during the financial year				
• Addition	-	1618.85	-	1618.85
• Reduction	(1160.45)	-	-	(1160.45)
Net Change	(1160.45)	1618.85	-	458.40
Indebtedness at the end of the Financial Year				
i. Principal Amount	456.87	2567.56	-	3024.43
ii. Interest due but not paid	-	137.45	-	137.45
ii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	456.87	2705.01	-	3161.88

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..	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

SI No.	Particulars	Name of Directors			Total Amount
1	Independent Directors • Fee for attending board /committee meetings • Commission • Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	Other Non- Executive Directors • Fee for attending board /committee meetings • Commission • Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+ 2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

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

SI No.	Particulars of Remuneration	Key Managerial Personnel		Total
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	-	-	-
	Total	-	-	-

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,


S CHAKRAPANI
DIRECTOR


S THANGARAJ
DIRECTOR

Coimbatore
15.04.2016



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 31st March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditors' Responsibility

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

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

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

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



Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016.
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on 31st March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 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 does not have any pending litigations which would impact its financial position.
 - ii. The company does not have long term contracts including derivative contracts.
 - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For Raja and Raman

Chartered Accountants

Firm Registration No:003382S

A handwritten signature in black ink, appearing to read 'E.R. Rajaram', written over a horizontal line.

E.R. RAJARAM, FCA

Partner

Membership No: 018755

Place: Coimbatore

Date: 15th April, 2016



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of **M/S.SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED** for the year ended 31st March 2016. 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.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. In respect of its inventories:
 - a) The Management has carried out physical verification of inventory at reasonable intervals.
 - 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. The Company has not granted loans to Companies listed in the register maintained under section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the Company has not given any loans/investments/guarantees to which the provisions of section 186 of the Act apply.

5. The Company has not accepted any deposit from public.



6. The Central Government has not prescribed maintenance of cost records u/s 148(1) of the Companies Act for any of the products / services of the company. The paragraph 3(6) of CARO is not applicable.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, duty of excise service tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

b) There are no statutory dues which have not been deposited on account of any dispute.

8. The Company has not defaulted in repayment of dues to any financial institution or bank and the Company has not issued any debentures.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year, therefore the provisions of section 197 read with Schedule V to the Act is not applicable to the Company.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



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

For RAJA & RAMAN

Chartered Accountants

FIRM REG NO. 003382S

E.R. RAJARAM, FCA

Partner

Membership.No: 018755

Place: Coimbatore

Date: 15th April, 2016

M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

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

BALANCE SHEET AS AT 31ST MARCH 2016

PARTICULARS	Note No.	As at 31.03.2016		As at 30.09.2015	
		₹		₹	
I. EQUITY AND LIABILITIES					
1. Shareholder's funds					
(a) Share Capital	II	4,29,18,570		4,29,18,570	
(b) Reserves and Surplus	III	(14,69,81,468)		(10,95,75,655)	
			(10,40,62,898)		(6,66,57,085)
2 Non- current liabilities					
(a) Long-term borrowings	IV	27,91,59,136		12,93,89,435	
(b) Long-term Provisions	V	1,04,30,996		1,04,30,996	
			28,95,90,132		13,98,20,431
3 Current Liabilities					
(a) Short term borrowings	VI	22,079		9,97,14,530	
(b) Trade payables	VII	12,60,21,110		15,15,27,843	
(c) Other current liabilities	VIII	2,32,62,350		2,75,09,743	
(d) Short term provisions	IX	1,43,14,976		2,00,30,749	
			16,36,20,515		29,87,82,865
TOTAL			34,91,47,749		37,19,46,212
II ASSETS					
1. Non-current assets					
(a) Fixed assets	X				
(i) Tangible assets		14,84,14,109		15,01,61,629	
(ii) Intangible Assets		5,70,417		6,28,617	
(b) Non-current investments		-		-	
(c) Deferred tax assets (net)		6,80,34,137		6,80,34,137	
(d) Other non-current assets	XI	7,75,38,005		7,75,18,004	
			29,45,56,668		29,63,42,387
2. Current assets					
(a) Current investments		-		-	
(b) Inventories	XII	4,39,08,283		6,27,69,400	
(c) Trade receivables	XIII	19,19,821		25,27,086	
(d) Cash and Cash equivalents	XIV	35,70,395		29,82,108	
(e) Short-term loans and advances	XV	51,92,582		73,25,231	
			5,45,91,081		7,56,03,824
TOTAL			34,91,47,749		37,19,46,211

For and on behalf of the Board

As per our report of even date

S. CHAKRAPANI
Director

S. THANGARAJ
Director

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

E.R. RAJARAM
Partner

Membership No.018755

Place : Coimbatore
Date : 15th April 2016

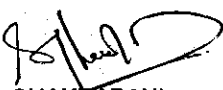



M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
Registered Office at Merakamudidam Mandal, Garbham, Vizianagaram Dist.,A.P - 535102
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH 2016

PARTICULARS	Note No.	Year ended 31.03.2016		Year ended 30.09.2015	
		₹		₹	
1 Revenue from operations	XVII	-		25,48,02,263	
2 Other Income	XVIII	18,15,633		21,13,264	
3 Total Revenue (I + II)			18,15,633		25,69,15,527
4 Expenses					
Cost of Materials Consumed	XIX	-		10,93,19,703	
Changes in inventories of finished goods, work in progress and Stock-in- trade	XX	-		1,75,90,593	
Other Manufacturing Expenses	X XI	4,63,487		12,90,38,165	
Employee benefits expense	X XII	23,69,738		79,23,734	
Finance Costs	X XIII	96,81,367		2,28,24,952	
Depreciation and amortization expense	X XIV	46,43,905		95,40,523	
Other expense	X XV	2,20,62,950		1,20,61,284	
Total Expenses			3,92,21,446		30,82,98,954
5 Profit before exceptional and extraordinary items and tax (III-IV)			(3,74,05,813)		(5,13,83,428)
6 Extraordinary items					-
7 Profit before tax (V-VI)			(3,74,05,813)		(5,13,83,428)
8 Tax expense:					
(1) Current tax		-			
(2) Mat Credit Entitlement		-			
(3) Deferred tax		-		(1,97,60,914)	
					(1,97,60,914)
9 Profit for the year (VII + VIII)			(3,74,05,813)		(3,16,22,514)
Earnings per equity share:					
(1) Basic			(8.72)		(7.37)
(2) Diluted			(8.72)		(7.37)

For and on behalf of the Board

As per our report of even date


S. CHAKRAPANI
Director


S. THANGARAJ
Director

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


E.R. RAJARAM
Partner

Membership No.018755

Place : Coimbatore
Date : 15th April 2016



SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 ST MARCH 2016

Particulars	Year ended	Year ended
	31.03.2016	30.09.2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before tax	(3,74,05,813)	(5,13,83,428)
Adjustments for		
Interest Receipts	(18,15,633)	(20,11,264)
Depreciation	46,43,905	95,40,523
Financial charges & Interest	96,81,367	2,28,24,952
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,48,96,175)	(2,10,29,217)
Adjustments for changes in		
Inventories	1,88,61,117	4,09,45,309
Trade receivables	6,07,265	1,97,38,668
Other advances	21,32,649	1,34,76,111
Current liabilities	(3,54,69,899)	(57,39,505)
Cash generated from operations	(3,87,65,042)	4,73,91,366
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(3,87,65,042)	4,73,91,366
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(28,38,185)	(28,45,697)
Interest received	18,15,633	20,11,264
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(10,22,552)	(8,34,433)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital		
Repayment of Long term borrowings	14,97,69,701	(2,93,84,301)
Increase in other Long term loans and advances	(20,001)	(3,400)
Increase/(Decrease) in Short term Borrowings	(9,96,92,452)	70,65,690
Financial Charges & Interest	(96,81,367)	(2,28,24,952)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	4,03,75,882	(4,51,46,963)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	5,88,287	14,09,970
Cash and Cash Equivalents as on 1.10.2015 (Opening Balance)	29,82,108	15,72,138
Cash and Cash Equivalents as on 31.03.2016 (Closing Balance)	35,70,395	29,82,108

For and on behalf of the Board

As per our report of even date

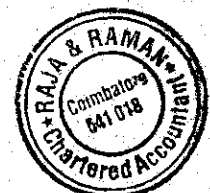

S. CHAKRAPANI
 Director


S. THANGARAJ
 Director

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


E.R. RAJARAM
 Partner
 Membership No.018755

Place : Coimbatore
 Date : 15th April 2016



M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016

NOTE II : Share Capital

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	AUTHORIZED CAPITAL 43,00,000 Equity shares of Rs. 10 Each	4,30,00,000	4,30,00,000
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL 42,91,857 Equity shares of Rs. 10 Each	4,29,18,570	4,29,18,570
		4,29,18,570	4,29,18,570

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	31.03.2016		30.09.2015	
	Number	₹	Number	₹
Equity Shares at the beginning of the year	42,91,857	4,29,18,570	42,91,857	4,29,18,570
Add: Issues during the year	-	-	-	-
Equity Shares at the end of the year	42,91,857	4,29,18,570	42,91,857	4,29,18,570

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

Sr. No	Name of Shareholder	31.03.2016		30.09.2015	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Indsil Hydro Power and Manganese limited	21,88,847	51.00%	21,88,847	51.00%
2	Indsil Energy and Electrochemicals Private Limited	21,03,010	49.00%	21,03,010	49.00%
	Total	42,91,857	100.00%	42,91,857	100.00%

NOTE III : Reserves & Surplus

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Opening balance Reserves (+) Net Profit/(Net Loss) For the current year Closing Balance	(11,07,43,083) (3,74,05,813) (14,81,48,896)	(7,91,20,569) (3,16,22,514) (11,07,43,083)
2	Security Premium Account Opening balance (+) During the year Closing Balance	11,67,428 - 11,67,428	11,67,428 - 11,67,428
	Closing Balance	(14,69,81,468)	(10,95,75,655)

NOTE IV : Long Term Borrowings

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Term Loan (Secured) - From Banks for Capital Assets	2,24,03,560	3,45,18,859
2	Un Secured Loan Loans & Advances From Related Parties	25,67,55,576	9,48,70,576
	Total	27,91,59,136	12,93,89,435



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 pari passu charge on the entire assets 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 pari passu 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 31ST MARCH, 2016
NOTE V : Other Long Term Provisions

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1 2	(a) Others-FSA Charges	1,04,30,996	1,04,30,996
	Total	1,04,30,996	1,04,30,996

NOTE VI : Short Term Borrowings

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	<u>Loan Repayable on Demand</u> - From Bank (Secured)	22,079	9,97,14,530
	Total	22,079	9,97,14,530

NOTE VII : Trades Payables

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Sundry Creditors for Materiel/Supplies:	12,35,21,198	15,05,59,298
2	Sundry Creditors for Stores & Expenses	24,99,912	9,68,545
	Total	12,60,21,110	15,15,27,843

NOTE VIII : Other Current Liabilities

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Current Maturties on Long Term Loan	2,32,62,350	2,75,00,000
2	Statutory Dues Payable	-	9,743
	Total	2,32,62,350	2,75,09,743

NOTE IX : Short Term Provisions

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
	Provision for Employee Benefits		
	Salary Payable	3,13,176	4,07,692
	Provident Fund Payable	35,802	32,502
	<u>Other short Term provisions</u>		
	Audit Fee Payable	75,000	75,000
	Electricity & Power Charges Payable	1,26,233	57,50,790
	Others-Interest Payable	1,37,44,765	1,37,44,765
	Staff welfare fund	20,000	20,000
	Expenses payable		
	Total	1,43,14,976	2,00,30,749



SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

DEPRECIATION SCHEDULE FOR THE YEAR ENDED 31st March, 2016 (BOOK PURPOSE)

Sl. No.	Description of Asset	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK				
		Cost as on 01.10.2015	Additions	Deletions	Cost as on 31.03.2016	Upto 01.10.2015	For the Year	Withdrawn	Adjusted in Reserve / P&L A/c	Upto 31.03.2016	WDV as on 31.03.2016	WDV as on 30.09.2015
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	16,18,441 4,06,92,128 10,92,430	- - -	- - -	16,18,441 4,06,92,128 10,92,430	1,45,005 64,49,474 2,38,646	27,404 6,41,117 27,848	- - -	- - -	1,72,409 70,90,591 2,66,494	14,46,032 3,36,01,537 8,25,936	14,73,436 3,42,42,654 8,53,784
2	Plant and Machineries: Plant and Machineries (General)	9,57,75,143	28,38,185	-	9,86,13,328	2,05,44,864	22,26,906	-	-	2,27,71,770	7,58,41,558	7,52,30,279
3	Furniture and Fittings	13,850	-	-	13,850	2,907	716	-	-	3,623	10,027	10,743
4	Motor Vehicles: Two Wheelers Lorries (Running on hire) Lorries (Other than running on hire) Motor Cars (Own use)	58,665 51,83,312	- -	- -	58,665 51,83,312	14,922 18,78,181	3,258 4,60,373	- -	- -	18,180 23,38,554	40,485 28,44,758	43,743 33,05,131
5	Office Equipments	4,58,679	-	-	4,58,679	4,03,798	7,315	-	-	4,11,113	47,566	54,881
6	Computers and Data Processing Units: Servers and Networks Computers, Printers, UPS, etc.	3,17,037	-	-	3,17,037	2,97,198	2,288	-	-	2,99,486	17,551	19,839
7	Lab Equipments	-	-	-	-	-	-	-	-	-	-	-
8	Electrical Installations	3,58,37,943	-	-	3,58,37,943	81,71,803	11,88,480	-	-	93,60,283	2,64,77,660	2,76,66,140
9	<u>Intangible assets:</u> Computer Software Others	9,23,899	-	-	9,23,899	2,95,282	58,200	-	-	3,53,482	5,70,417	6,28,617
	Total	18,92,32,326	28,38,185	-	19,20,70,511	3,84,42,080	46,43,905	-	-	4,30,85,985	14,89,84,526	15,07,90,246
	Previous year figures	18,63,86,529	28,45,697	-	18,92,32,326	2,99,01,557	94,87,187	-	53,336	3,84,42,080	15,07,90,246	15,74,85,072



M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016

NOTE XI : Other non-current assets

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
I)	Security Deposits Secured, considered good	2,26,10,086	2,25,90,085
II)	Other Loans & Advances FUEL SURCHARGE - PAID UNDER PROTEST	5,49,27,919	5,49,27,919
	Total	7,75,38,005	7,75,18,004

NOTE XII : Inventories

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
a	Raw Materials and components (Valued at cost)	4,20,02,148	6,08,63,265
b	Finished goods (Valued at lower of cost or net realisable value)	2,81,190	2,81,190
c	Stores, spares, Pack Materials & Consumables (Valued at Cost)	16,24,945	16,24,945
	Total	4,39,08,283	6,27,69,400

NOTE XIII: Trade Receivables

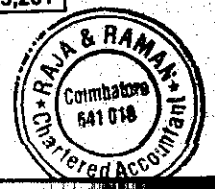
Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	<u>Trade receivables outstanding for a period less than six months from the date they are due for payment</u> Secured, considered good Unsecured, considered good	- -	- 29,09,372 29,09,372
2	<u>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</u> Unsecured, considered good Less: Provision for doubtful debts	19,19,821 - 19,19,821	- (3,82,286) (3,82,286)
	Total	19,19,821	25,27,086

NOTE XIV : Cash and cash equivalents

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Balances with banks	24,62,937	18,85,521
2	Cash on hand	11,07,458	10,96,587
	Total	35,70,395	29,82,108

NOTE XV : Short-term loans and advances

Sr. No	Particulars	As at 31.03.2016 ₹	As at 30.09.2015 ₹
1	Loans and advances to related parties Secured, considered good	-	-
2	Others Secured, considered good (Statutory balances) Secured, considered good (Others) Unsecured, considered good - Advance for Expenses	51,29,486 - - 63,096 51,92,582	65,40,615 99,138 - 6,85,478 73,25,231
	Total	51,92,582	73,25,231



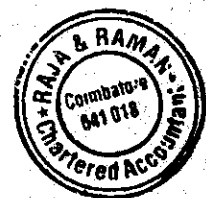
M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT OR LOSS AS AT 31ST
MARCH 2016

XVII Revenue from operations			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Sale of products	-	26,10,23,560
		-	26,10,23,560
2	Less : Excise duty	-	1,50,04,222
		-	24,60,19,338
	Other Operating Income	-	87,82,925
	Export Incentives	-	25,48,02,263
	Detail of Revenue from operations	-	24,60,19,338
	Silico Manganese	-	87,82,925
	Export Incentives	-	25,48,02,263
XVIII Other Income			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Interest Income	18,15,633	20,11,264
2	Miscellaneous receipts	-	1,02,000
	Total	18,15,633	21,13,264
XIX Cost of Materials Consumed			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
a)	Consumption of Raw Materials & Stores	-	10,93,19,703
	Consumptions during the year	-	10,93,19,703
XX Changes in inventories of finished goods, work in progress and Stock-in-trade			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Finished Goods: Opening Stock	2,81,190	1,78,71,783
	Less: Closing Stock	(2,81,190)	(2,81,190)
	Total	-	1,75,90,593
X XI Other Manufacturing Expenses			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Power and fuel charges (net)	4,23,617	12,13,79,334
2	Packing, freight & forwarding charges	39,870	36,52,394
3	Direct contractual wages	-	40,06,437
	Total	4,63,487	12,90,38,165



M/S. SREE MAHALAKSHMI SMELTERS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT OR LOSS AS AT 31ST
MARCH 2016

XXII Employee benefits expense			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Salaries and wages	22,77,483	72,13,269
2	Contribution to provident fund & other funds	91,580	3,01,144
3	Staff welfare expenses	675	4,09,321
	Total	23,69,738	79,23,734
XXIII Finance Costs			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Interest expenses	96,75,935	2,27,52,170
2	Bank Charges	5,432	72,782
	Total	96,81,367	2,28,24,952
XXIV Depreciation and amortization expense			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Depreciation and amortization expense	46,43,905	95,40,523
	Total	46,43,905	95,40,523
XXV Other expense			
Sr. No	Particulars	Year ended 31.03.2016 ₹	Year ended 30.09.2015 ₹
1	Postage and Telephone expenses	61,618	3,56,954
2	Travelling & Conveyance	67,890	8,94,241
3	Advertisement	-	11,520
4	Repairs and maintenance charges	1,36,304	18,64,471
5	Insurance charges	114	3,97,268
6	Consultancy charges	1,35,000	11,03,622
7	Security service charges	6,83,246	12,79,591
8	Stationery expenses	1,905	63,039
9	Auditors remuneration	-	1,25,720
10	Filing fees	1,612	1,07,036
11	Rates and Taxes	15,820	4,33,452
12	Subscription	1,09,750	1,26,840
13	Donation	-	2,05,000
14	Selling expenses	-	48,30,650
15	Miscellaneous expenses	27,301	2,61,880
16	Sundry balances & Non Moving Stock Written off	2,08,22,390	-
	Total	2,20,62,950	1,20,61,284



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

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

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

Due to depressed market conditions and very high cost of electricity in Andhra Pradesh, the Company suffered financial losses, in order to mitigate the further financial losses the management was constraint to declare temporary suspension of its plant with effect from 22nd May 2015.

B. Use of Estimates

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

C. Inventories

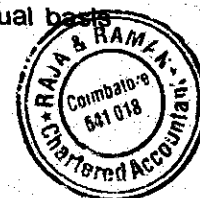
Inventories are valued at cost of net realizable value whichever is lower. Cost of raw materials held by the Company are stated on weighted average basis. In case of goods in transits, cost represents the cost incurred up to the stage at which the goods in transit.

D. Cash flow statement

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

E. Revenue Recognition

- a) Accrual basis of accounting is followed by the Company for all regular sources of income and expenses.
- b) Sales of goods are recognized when the risk and rewards of ownership are passed on to customers, which is generally on dispatch of goods.
- c) Dividend, interest, 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 basis over the useful lives of assets, which is stated in Schedule II of the Companies Act, 2013. However, assets values up to Rs.5000 are fully depreciated fully in the year of purchase.

G. Foreign Currency Transaction

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

H. Investments

The Company does not have any Non-current investment.

I. Retirement Benefits

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

J. Borrowing Costs

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

K. Taxes on Income

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



L. Impairment of Fixed Assets

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

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

M. Segmental Reporting

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

N. Provisions

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

O. Fuel Surcharge Paid under protest

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

P. Unsecured loan from Related Parties :

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 Electrochemicals Private Limited	1.87
Indsil Hydro Power and Manganese Limited	23.80

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

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

c) Transactions during the year with related parties:-

Rs. In lakhs

Particulars	Holding Company	Associate Company	Total	Previous Year
Purchases	-	-	-	627.84
Sales	-	-	-	1183.19
Trade Payables	795.32	382.14	1177.46	1420.72
Interest	-	-	-	4.91



b. Earnings per Share

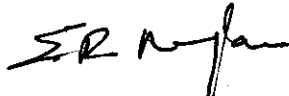
Particulars	31.03.2016	30.09.2015
Profit/(Loss) after tax	(3,74,05,813)	(3,16,22,514)
Weighted average Number of equity shares outstanding	42,91,857	42,91,857
Basic & Diluted EPS (Rs)	(8.72)	(7.37)

c. Dues to Micro, Small & Medium Enterprises

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

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

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




(A) E.R.Rajaram, FCA, DISA
Partner
Membership No.018755





S.Chakrapani
Director



S.Thangaraj
Director

PLACE: COIMBATORE
DATE: 15.04.2016