



**AUDITOR'S CERTIFICATE**

To  
The Board of Directors,  
INDSIL HYDRO POWER AND MANGANESE LIMITED  
Indsil House, Door No: 103-107,  
Thiruvencataswamy Road West,  
R S Puram, Coimbatore – 641002

We, M/s. Raja and Raman, Chartered Accountants, (Firm Registration No. : 003382S), the statutory auditors of M/s. Indsil Hydro Power and Manganese Limited, (hereinafter referred to as “the Company”), have examined the proposed accounting treatment specified in Clause 11 of the Draft Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited, (Transferee Company) in terms of the provisions of Section(s) 230 to 232 of the Companies Act, 2013 with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles in India.

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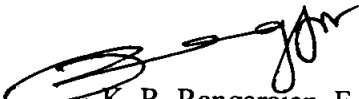
1055/11, First Floor, Gowtham Centre,  
Avanashi Road, Coimbatore - 641 018,  
**Phone:**4394591,2245591. **Tele Fax:**+91422 -2246591. **E – Mail:**  
rajaandraman@gmail.com

**RAJA & RAMAN**  
Chartered Accountants



This Certificate is issued at the request of the Indsil Hydro Power and Manganese Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

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

  
K. R. Rangarajan, F.C.A.  
Partner  
Membership Number: 224928

Place: Coimbatore  
Date: 16<sup>th</sup> June 2017

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rajaandraman@gmail.com



# INDSIL HYDRO POWER AND MANGANESE LIMITED

Regd. Office :  
"Indsil House",  
T.V. Samy Road (West)  
R.S. Puram  
Coimbatore - 641 002.  
Phone : (+91/0) (422) 4522922, 23  
Fax : (+91/0) (422) 4522925  
e-mail : indsilho@indsil.com  
website : www.indsil.com  
CIN : L27101TZ1990PLC002849

## Compliance Report to be submitted along with the draft scheme

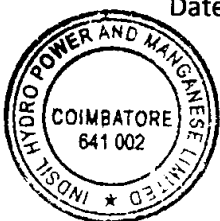
It is hereby certified that the draft scheme of amalgamation involving Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company), the listed entity does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017, including the following:

S. No.	Reference	Particulars	Whether Complied or not and how
1.	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements	Yes
2.	Regulation 11 of LODR Regulations	Compliance with securities laws	Yes
<b>Requirements of this circular</b>			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Yes Submitted
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities	Yes Shall be complied
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report	Yes Submitted
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Yes Submitted
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting	Yes Shall be complied

**S Mahadevan**  
Company Secretary

**Vinod Narshman**  
Managing Director

Date: 16<sup>th</sup> June 2017





# INDSIL HYDRO POWER AND MANGANESE LIMITED

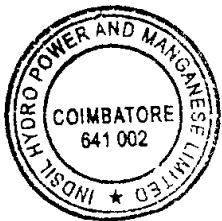
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e-mail : [indsilho@indsil.com](mailto:indsilho@indsil.com)  
website : [www.indsil.com](http://www.indsil.com)  
CIN : L27101TZ1990PLC002849

Certified that the transactions / accounting treatment provided in the draft scheme of amalgamation involving Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company), the listed entity are in compliance with all the Accounting Standards applicable to a listed entity.

**Marali R**  
Chief Financial Officer

**Vinod Narsiman**  
Managing Director

Date: 16<sup>th</sup> June 2017



**PARTNERS :**

E.R. RAJARAM, FCA, DISA  
K.R. RAMAN, FCA  
K.R. RANGARAJAN, FCA

1055/11, GOWTHAM CENTRE  
FIRST FLOOR  
AVANASHI ROAD  
COIMBATORE - 641 018  
Mail : rajaandraman@gmail.com

To,  
Company Secretary,  
Indsil Hydro Power & Manganese Limited,  
T.V. Samy Road (West),  
R.S. Puram,  
Coimbatore, Tamil Nadu-641002.

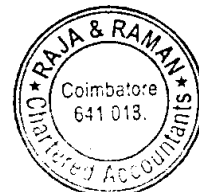
**INDEPENDENT AUDITOR'S CERTIFICATE ON MINIMUM PRICE**

1. This certificate is issued in accordance with the terms of our engagement letter dated 29<sup>th</sup> June, 2017.
2. We, Raja and Raman, Chartered Accountants, the Statutory Auditors of Indsil Hydro Power & Manganese Limited ("the Company" / "the Transferee Company") have been requested by the management of the Company to certify the accompanying Annexure 1 ("the Statement") "Computation of minimum price at which shares should be allotted" ("Minimum Price") which contains the details as required pursuant to Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") which we have stamped and initialed for Identification only. The certificate has been requested by the Management for onward submission to BSE Limited.

**3. Management's responsibility**

The management is responsible for the following:

- a) Preparation of the Statement and maintain the relevant supporting records and documents in accordance with Chapter VII of the ICDR Regulations.
- b) Ensuring that the minimum price of equity share is applied for the purpose of valuation and determining the share exchange ratio.
- c) Ensuring that the equity shares price shall not be less than the higher of the following:
  - (i) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or
  - (ii) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.



### **Auditor's Responsibility**

4. Our responsibility is limited to the extent of certifying the particulars contained in the Statement, for the purpose of this certificate. We have conducted our verification according to the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Standards on Auditing issued by the Institute of Chartered Accountants of India ("ICAI"). We have provided reasonable assurance which is required by the Standard on Auditing.
5. We have relied upon the following information:
  - a. Proposed Scheme of Amalgamation
  - b. The Statement for computation of Minimum Price (Annexure 1)
  - c. Valuation report from Independent Valuer
  - d. Data of 26 Weeks preceding the relevant date taken from BSE domain
  - e. Outcome of Board meeting held on 16<sup>th</sup> June, 2017
  - f. Other relevant records and documents.
6. This is also our responsibility to provide reasonable assurance which is required by ICDR that:
  - a. The method of calculation of minimum price of equity share for the purpose of share exchange ratio is in accordance with the Chapter VII of the ICDR Regulations.
  - b. The average of the weekly high and low of the volume weighted average price of the equity shares as per the statement, is calculated arithmetically accurate.
  - c. The price per equity share which is used for equity share valuation of the Transferee Company as considered in the valuation report is not less than the minimum price (i.e. higher than or equal to minimum price).

### **Opinion**

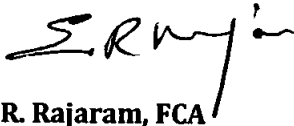
7. Our opinion is on the basis of our verification which we have done for this purpose is that:
  - a. The calculation of minimum price of equity share i.e. Rs.77.94 per share is arithmetically accurate;
  - b. The method which is used for the purpose of calculation of minimum price of equity share as per the statement is in accordance with the Chapter VII of ICDR regulations; and
  - c. The price per share of equity share which is used for determination of share exchange ratio is not less than the minimum price.



**Restriction on Use**

8. This Certificate is addressed and provided to the Management of the Company pursuant to the requirements of ICDR Regulations for onward submission to the BSE and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



**E. R. Rajaram, FCA**

**Partner**

**Membership No.: 018755**

Place: Coimbatore

Date: 1<sup>st</sup> July, 2017

C No. IND-HYD003/17-18



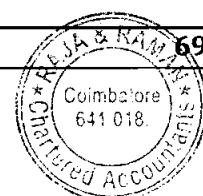
**Annexure 1:**

**Statement of Computation of Minimum Price in pursuant to Chapter VII of the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the "ICDR Regulations")**

**Alternate 1**

The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the Bombay stock exchange during the twenty six weeks preceding the relevant date i.e. 16<sup>th</sup> June, 2017.

Week	From	To	Weekly High (Rs.)	Weekly Low (Rs.)	Average Price (Rs.)
1	9-Jun-17	15-Jun-17	77.92	74.63	76.27
2	2-Jun-17	8-Jun-17	81.32	77.89	79.60
3	26-May-17	1-Jun-17	87.91	80.21	84.06
4	19-May-17	25-May-17	92.44	79.18	85.81
5	12-May-17	18-May-17	96.33	84.43	90.38
6	5-May-17	11-May-17	82.74	62.51	72.62
7	28-Apr-17	4-May-17	62.86	59.52	61.19
8	21-Apr-17	27-Apr-17	64.57	59.38	61.98
9	14-Apr-17	20-Apr-17	65.14	62.64	63.89
10	7-Apr-17	13-Apr-17	69.18	64.64	66.91
11	31-Mar-17	6-Apr-17	69.07	68.20	68.64
12	24-Mar-17	30-Mar-17	70.53	67.90	69.21
13	17-Mar-17	23-Mar-17	70.83	67.95	69.39
14	10-Mar-17	16-Mar-17	71.95	70.21	71.08
15	3-Mar-17	9-Mar-17	70.72	66.48	68.60
16	24-Feb-17	2-Mar-17	69.05	67.54	68.30
17	17-Feb-17	23-Feb-17	69.43	67.48	68.45
18	10-Feb-17	16-Feb-17	71.70	68.49	70.10
19	03-Feb-17	9-Feb-17	73.60	69.26	71.43
20	27-Jan-17	2-Feb-17	75.62	70.30	72.96
21	20-Jan-17	26-Jan-17	70.30	70.30	70.30
22	13-Jan-17	19-Jan-17	70.30	66.11	68.20
23	6-Jan-17	12-Jan-17	69.35	64.90	67.12
24	30-Dec-16	5-Jan-17	64.90	54.03	59.46
25	23-Dec-16	29-Dec-16	55.76	53.62	54.69
26	16-Dec-16	22-Dec-16	57.94	54.70	56.32
			<b>Average for 26 weeks</b>		<b>69.88</b>





**Alternate 2**

The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a Bombay stock exchange during the two weeks preceding the relevant date i.e. 16<sup>th</sup> June, 2017.

Week No.	From	To	Weekly High (Rs.)	Weekly Low (Rs.)	Average Price (Rs.)
1	9-Jun-17	15-Jun-17	77.92	74.63	76.27
2	2-Jun-17	8-Jun-17	81.32	77.89	79.60
			<b>Average for 2 weeks</b>		<b>77.94</b>

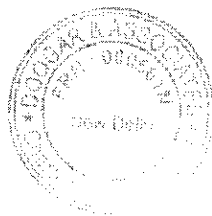
**Notes:**

1. The relevant date for the purpose of arriving at the minimum price in terms of ICDR Regulations is 16<sup>th</sup> June, 2017.
2. The average of the weekly high and low of volume weighted average prices of the Equity Shares quoted on the BSE during the twenty six weeks/two weeks preceding the Relevant Date, i.e. 16<sup>th</sup> June, 2017, is mentioned above. The data is taken from [www.bseindia.com](http://www.bseindia.com), as the company is only registered on Bombay Stock Exchange (BSE).
3. Minimum Price in terms of ICDR Regulations is Rs.77.94 (Higher of Alternative 1&2 above)



Amalgamation of Indsil Energy with Indsil Hydro  
 Computation of Share Exchange Ratio

Valuation Approach	Indsil Hydro			Indsil Energy		
	W.P.Ref	Value per Share	Weight	W.P.Ref	Value per Share	Weight
Adjusted Net Asset Value Method	A	62.78	1	E	31.98	1
Discounted Cash Flow Method	B	77.98	2	F	40.95	2
Market Price Method	C	75.86	2		NA	-
Fair Value		74.09			37.96	
Value per Share as per ICDR (Min Price)	D	77.94			NA	
Relative Value		77.94			37.96	
Share Exchange Ratio					0.49	

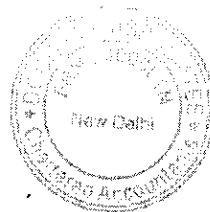


**Amalgamation of Indsil Energy with Indsil Hydro**  
**Adjusted Net Asset Value Method - Indsil Hydro**

W.P.Ref - A

S.No.	Calculation of Adjusted NAV	Amount (Rs. in Lacs)
A	Net Asset Value	9,928.21
B	Add: Incremental Value of Investments	45.85
C = A+B	Adjusted NAV	9,974.06
	No. of Equity Shares (In Lacs)	158.87
	Adjusted NAV Per Share (In Rs.)	62.78

Calculation of Net Asset Value		(Rs. in Lacs)
S.No.	Particulars	Amount
A	<b>Non Current Assets:</b>	
	Fixed Assets	3,232.46
	Non Current Investments	2,186.81
	Long Term Loans and Advances	1,604.15
		<b>7,023.43</b>
B	<b>Current Assets:</b>	
	Current Investments	5.75
	Inventories	2,830.61
	Trade Receivables	2,335.41
	Cash and Bank	431.84
	Short Term Loans and Advances	4,173.06
	Other Current Assets	68.52
		<b>9,845.18</b>
C=A+B	<b>Total Assets</b>	<b>16,868.61</b>
D	<b>Non Current Liabilities:</b>	
	Long Term Borrowings	1,662.50
	Deferred Tax Liabilities	165.51
	Long Term Provisions	1,242.24
		<b>3,070.25</b>
E	<b>Current Liabilities</b>	
	Short Term Borrowings	640.28
	Trade Payables	2,040.92
	Other Current Liabilities	999.69
	Short Term Provisions	189.25
		<b>3,870.14</b>
F=D+E	<b>Total Liabilities</b>	<b>6,940.40</b>
G=C-F	<b>Net Asset Value</b>	<b>9,928.21</b>



Amalgamation of Indsil Energy with Indsil Hydro  
Discounted Cash Flow Method - Indsil Hydro

W.P.Ref - B

(Rs. in Lacs)

Particulars	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22	Terminal Year
Profit after Taxes	1,597	1,669	1,787	1,828	1,831	1,831
Less: Dividends (Net of Tax)	253	253	253	253	253	253
Add: Depreciation	417	396	376	357	340	340
Add: Interest (Net of Tax)	389	466	458	445	448	448
Less: Change in Net Working Capital	1,718	147	28	65	197	85
Less: Change in Capex	-	-	-	-	-	-
<b>Free Cash Flow to Firm</b>	<b>432</b>	<b>2,131</b>	<b>2,340</b>	<b>2,313</b>	<b>2,169</b>	<b>2,281</b>
Present Value Factor @ 17.19%	0.85	0.73	0.62	0.53	0.45	
<b>PV of FCF</b>	<b>368</b>	<b>1,551</b>	<b>1,454</b>	<b>1,227</b>	<b>981</b>	

PV of Explicit Period	5,581.79
PV of Terminal Cash Flows	6,440.00
<b>Enterprise Value</b>	<b>12,021.79</b>
Add: Cash and Equivalent	431.84
Add: Investments	2,238.40
Less: Debt	2,302.78
<b>Equity Value Pre Money (in Lacs)</b>	<b>12,389.25</b>
Number of Shares	158.87
<b>Value per Share</b>	<b>77.98</b>

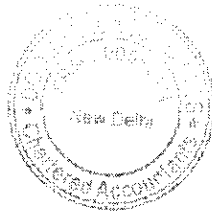
Calculation of WACC

Particulars	Value (In Lacs)	Weight	Cost	WACC
Debt (Kd)	9,340.37	11%	7.85%	0.87%
Equity (Ke)	75,146.34	89%	18.35%	16.32%
<b>WACC</b>				<b>17.19%</b>

Risk Free Rate	6.69%
Market Risk Rate	16.16%
Beta	0.98
<b>Cost of Equity</b>	<b>15.95%</b>
Additional Risk Premium	2.39%
<b>Adjusted Cost of Equity</b>	<b>18.35%</b>

Calculation of Cost of Debt

Rate of Interest (Target)	12.00%
Less: Tax Rate	34.61%
<b>Cost of Debt</b>	<b>7.85%</b>



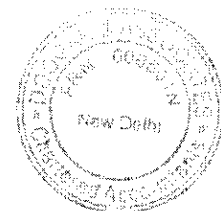
**Amalgamation of Indsil Energy with Indsil Hydro  
Financial Projections of Indsil Hydro**

**Balance Sheet** (Amount, Rs. In Laacs)

Sources of Funds	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22
	Projected	Projected	Projected	Projected	Projected
Equity Share Capital	1,589	1,589	1,589	1,589	1,589
Reserves and Surplus	9,936	11,605	13,391	15,220	17,051
	<b>11,525</b>	<b>13,193</b>	<b>14,980</b>	<b>16,808</b>	<b>18,640</b>
Long Term Borrowings	1,247	831	416	-	-
Deferred Tax Liabilities	166	166	166	166	166
Long Term Provisions	1,242	1,242	1,242	1,242	1,242
	<b>2,655</b>	<b>2,239</b>	<b>1,823</b>	<b>1,408</b>	<b>1,408</b>
Short Term Borrowings	1,208	1,312	1,385	1,441	1,501
Trade Payables	1,770	1,963	2,099	2,204	2,314
Other Current Liabilities	96	198	117	123	128
Short Term Provisions	189	189	189	189	189
	<b>3,263</b>	<b>3,573</b>	<b>3,790</b>	<b>3,957</b>	<b>4,132</b>
<b>Total</b>	<b>17,442</b>	<b>19,005</b>	<b>20,593</b>	<b>22,173</b>	<b>24,179</b>
<b>Applications of Funds</b>	<b>Mar'18</b>	<b>Mar'19</b>	<b>Mar'20</b>	<b>Mar'21</b>	<b>Mar'22</b>
Gross Fixed Assets	9,814	9,814	9,814	9,814	9,814
Less: Acc Dep	6,998	7,394	7,771	8,128	8,468
Net Fixed Assets	2,816	2,419	2,043	1,686	1,346
Non Current Investments	2,187	2,187	2,187	2,187	2,187
Long Term Loans and Advances	1,420	1,223	1,006	884	884
	<b>6,422</b>	<b>5,829</b>	<b>5,236</b>	<b>4,756</b>	<b>4,417</b>
Current Investments	-	-	-	-	-
Inventory	3,470	3,755	3,965	4,130	4,283
Sundry Debtors	2,423	2,688	2,867	3,010	3,161
Cash and Bank	886	2,490	4,283	6,045	8,078
Loans and Advances	4,173	4,173	4,173	4,173	4,173
Other Current Assets	69	69	69	69	69
	<b>11,020</b>	<b>13,176</b>	<b>15,357</b>	<b>17,417</b>	<b>19,763</b>
<b>Total</b>	<b>17,442</b>	<b>19,005</b>	<b>20,593</b>	<b>22,173</b>	<b>24,179</b>

**Profit and Loss Account** (Amount, Rs. In Laacs)

Particulars	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22
	Projected	Projected	Projected	Projected	Projected
Revenue from Operations (Net)	14,541	16,130	17,201	18,061	18,964
Other Income	619	619	619	619	619
<b>Total Revenue</b>	<b>15,160</b>	<b>16,749</b>	<b>17,821</b>	<b>18,681</b>	<b>19,584</b>
Cost of Material Consumed	7,193	7,940	8,451	8,860	9,289
Employee Benefit Expenses	925	1,110	1,277	1,340	1,407
Other Expenses	4,001	4,469	4,746	4,964	5,193
<b>Total Expenses</b>	<b>12,119</b>	<b>13,519</b>	<b>14,473</b>	<b>15,164</b>	<b>15,889</b>
<b>Profit before Int. Dep. and Taxes</b>	<b>3,041</b>	<b>3,230</b>	<b>3,347</b>	<b>3,517</b>	<b>3,695</b>
Depreciation	417	396	376	357	340
Interest	594	713	700	680	684
<b>Profit before Taxes</b>	<b>2,030</b>	<b>2,121</b>	<b>2,271</b>	<b>2,479</b>	<b>2,671</b>
Provision for Tax	433	453	485	650	840
<b>Profit after Taxes</b>	<b>1,597</b>	<b>1,669</b>	<b>1,787</b>	<b>1,828</b>	<b>1,831</b>



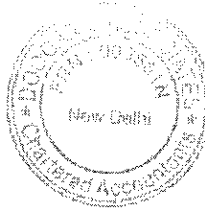
**Amalgamation of Indsil Energy with Indsil Hydro  
Market Price Method - Indsil Hydro**

W.P.Ref - C

Under this method of valuation, calculation is done on the basis of 26 weeks volume weighted average price before the relevant date.

Particulars	From 16 Dec, 2016 To 15 June, 2017
Total Turnover during the period (In Rs.)	23,06,99,631
No. of Shares Traded during the period	30,41,059
Volume Weighted Average Price (In Rs.)	75.86

Source: [www.bseindia.com](http://www.bseindia.com)



**Amalgamation of Indsil Energy with Indsil Hydro**  
**Minimum Price as per ICDR - Indsil Hydro**

W.P. Ref - D

**Calculation of Market Price as per ICDR**

Particulars	Price (In Rs.)
Average of weekly High and Low of VWAP (26 Weeks)	69.25
Average of weekly High and Low of VWAP (2 Weeks)	77.94
Higher of Average of weekly High & Low of VWAP (26 OR 2)	77.94

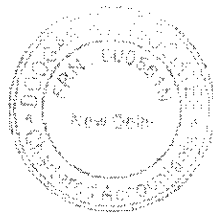
Week No.	From	To	Weekly High	Weekly Low	Average
1	09-Jun-17	15-Jun-17	77.92	74.63	76.27
2	2-Jun-17	08-Jun-17	81.52	77.80	79.66
3	26-May-17	01-Jun-17	87.91	80.21	84.06
4	08-May-17	25-May-17	92.44	79.18	85.81
5	12-May-17	18-May-17	96.33	84.43	90.38
6	5-May-17	11-May-17	82.74	62.51	72.62
7	28-Apr-17	04-May-17	62.85	59.52	61.19
8	21-Apr-17	27-Apr-17	64.57	59.38	61.98
9	14-Apr-17	20-Apr-17	65.14	62.64	63.89
10	7-Apr-17	13-Apr-17	69.18	64.64	66.91
11	31-Mar-17	06-Apr-17	69.07	68.20	68.64
12	24-Mar-17	30-Mar-17	70.55	67.90	69.21
13	17-Mar-17	23-Mar-17	70.83	67.95	69.39
14	10-Mar-17	16-Mar-17	71.98	70.21	71.08
15	3-Mar-17	09-Mar-17	70.72	66.48	68.60
16	24-Feb-17	02-Mar-17	69.05	67.54	68.30
17	17-Feb-17	23-Feb-17	69.43	67.43	68.45
18	10-Feb-17	16-Feb-17	71.70	68.47	70.10
19	03-Feb-17	09-Feb-17	73.60	69.20	71.43
20	27-Jan-17	02-Feb-17	75.62	70.30	72.96
21	20-Jan-17	26-Jan-17	79.30	70.30	74.50
22	13-Jan-17	19-Jan-17	79.30	68.11	68.20
23	6-Jan-17	12-Jan-17	69.35	64.90	67.12
24	30-Dec-16	05-Jan-17	64.30	24.03	59.46
25	23-Dec-16	29-Dec-16	55.76	53.62	54.69
26	16-Dec-16	22-Dec-16	57.94	54.70	56.32

Source: www.bseindia.com

**Calculation of Frequently Traded**

Particulars	From 1 June, 2016 To 31 May, 2017*
Total Shares Traded During the period (A)	6541871
Total No. of Shares as on 31.05.2017 (B)	15886792
Trading Turnover (A/B)	4.75
Status	Frequently Traded

\* Period (12 months preceding the relevant date)

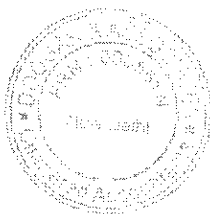


**Amalgamation of Indsil Energy with Indsil Hydro  
Adjusted Net Asset Value Method - Indsil Energy**

W.P.Ref - E

(Rs. In Laes)

S. No.	Particulars	Amount
<b>A</b>	<b>Non Current Assets:</b>	
	Fixed Assets	4,851
	Non Current Investments	2,502
	Long Term Loans and Advances	528
		<b>7,880</b>
<b>B</b>	<b>Current Assets:</b>	
	Inventories	9,642
	Trade Receivables	155
	Cash and Bank	245
	Short Term Loans and Advances	600
	Other Current Assets	362
		<b>11,004</b>
<b>C=A+B</b>	<b>Total Assets</b>	<b>18,885</b>
<b>D</b>	<b>Non Current Liabilities:</b>	
	Long Term Borrowings	851
	Deferred Tax Liabilities	392
	Long Term Provisions	22
		<b>1,265</b>
<b>E</b>	<b>Current Liabilities</b>	
	Short Term Borrowings	7,241
	Trade Payables	1,380
	Other Current Liabilities	826
	Short Term Provisions	30
		<b>9,477</b>
<b>F=D+E</b>	<b>Total Liabilities</b>	<b>10,742</b>
<b>G=C-F</b>	<b>Net Asset Value</b>	<b>8,143</b>
<b>H</b>	Preference Share Capital	1500
<b>I=G-H</b>	<b>Net Asset Value</b>	<b>6,643</b>
<b>I</b>	Number of Shares (in Laes)	207.70
<b>J=I/H</b>	<b>Net Asset Value per Share</b>	<b>31.98</b>





**Amalgamation of Indsil Energy with Indsil Hydro  
Discounted Cash Flow Method - Indsil Energy**

W.P.Ref - F

(Amount, Rs. In Lacs)

Particulars	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22	Terminal Year
Profit after Taxes	1,449	1,839	1,891	2,029	2,172	2,172
Less: Dividends (Net of Tax)	183	183	183	183	183	183
Add: Depreciation	355	338	321	305	290	290
Add: Interest (Net of Tax)	670	563	562	586	613	613
Less: Change in Net Working Capital	-203	-14	-327	-306	-211	249
Less: Change in Capex	-	-	-	-	-	-
<b>Free Cash Flow to Firm</b>	<b>2,494</b>	<b>2,571</b>	<b>2,917</b>	<b>3,042</b>	<b>3,102</b>	<b>2,642</b>
Present Value Factor @ 17.22%	0.85	0.73	0.62	0.53	0.45	
<b>PV of FCFE</b>	<b>2,128</b>	<b>1,871</b>	<b>1,811</b>	<b>1,611</b>	<b>1,401</b>	

PV of Explicit Period	8,822
PV of Terminal Cash Flows	8,643
<b>Enterprise Value</b>	<b>17,465</b>
Add: Cash and Equivalent	245
Add: Non Cash Investment	2,502
Less: Loans and Liabilities	8,807
Less: Preference Equity	1,500
<b>Equity Value Post Money (in Lacs)</b>	<b>9,905</b>
Investment to be recd	1,400
<b>Equity Value Pre Money (in Lacs)</b>	<b>8,505</b>
Number of Shares	207.70
<b>Value per Share</b>	<b>40.95</b>

**Calculation of WACC**

Particulars	Value (In Lakhs)	Weight	Return	WACC
Debt (Kd)	30,465.47	31%	7.85%	2.43%
Equity (Ke)	65,085.10	66%	21.85%	14.43%
Preference (Kp)	3,000.00	3%	12.09%	0.37%
<b>WACC</b>				<b>17.22%</b>

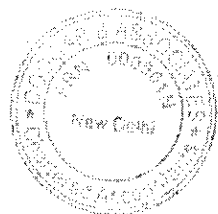
Risk Free Rate	6.69%
Market Risk Rate	16.16%
Beta	1.22
<b>Cost of Equity</b>	<b>18.21%</b>
Additional Risk Premium	3.64%
<b>Adjusted Cost of Equity</b>	<b>21.85%</b>

**Calculation of Cost of Debt**

Rate of Interest (Target)	12.00%
Less: Tax Rate	34.61%
<b>Cost of Debt</b>	<b>7.85%</b>

**Calculation of Cost of Preference Equity**

Coupon Rate	10.00%
Add: Dividend Distribution Tax	20.92%
<b>Cost of Debt</b>	<b>12.09%</b>



**Amalgamation of Indsil Energy with Indsil Hydro  
Financial Projections of Indsil Energy**

**Balance Sheet** (Amount, Rs. In Lacs)

Sources of Funds	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22
	Projected	Projected	Projected	Projected	Projected
Equity Share Capital	415	415	415	415	415
New Share Capital	1,400	1,400	1,400	1,400	1,400
Preference Share Capital	1,500	1,500			
Reserves and Surplus	7,495	9,152	11,044	13,073	15,245
	<b>10,810</b>	<b>12,468</b>	<b>12,859</b>	<b>14,888</b>	<b>17,060</b>
Long Term Borrowings	1,175	783	392	-	-
Deferred Tax Liabilities	392	392	392	392	392
Long Term Provisions	20	20	20	20	20
	<b>1,587</b>	<b>1,196</b>	<b>804</b>	<b>412</b>	<b>412</b>
Short Term Borrowings	4,766	5,185	5,385	6,449	6,331
Trade Payables	441	476	495	518	542
Other Current Liabilities	52	60	65	68	72
Short Term Provisions	-	-	-	-	-
	<b>5,260</b>	<b>5,721</b>	<b>5,946</b>	<b>7,035</b>	<b>6,944</b>
<b>Total</b>	<b>17,657</b>	<b>19,384</b>	<b>19,609</b>	<b>22,335</b>	<b>24,417</b>
Applications of Funds	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22
Gross Fixed Assets	8,650	8,650	8,650	8,650	8,650
Less: Acc Dep	4,154	4,492	4,813	5,118	5,407
Net Fixed Assets	4,495	4,158	3,837	3,532	3,243
Capital WIP incl intangibles in development	-	-	-	-	-
Non Current Investments	2,502	2,502	2,502	2,502	2,502
Long Term Loans and Advances	528	528	528	528	528
	<b>7,525</b>	<b>7,187</b>	<b>6,866</b>	<b>6,562</b>	<b>6,272</b>
Inventory	8,115	8,098	7,773	7,467	7,255
Sundry Debtors	451	496	519	545	572
Cash and Bank	605	2,642	3,490	6,801	9,356
Loans and Advances	600	600	600	600	600
Other Current Assets	362	362	362	362	362
	<b>10,132</b>	<b>12,197</b>	<b>12,743</b>	<b>15,774</b>	<b>18,145</b>
<b>Total</b>	<b>17,657</b>	<b>19,384</b>	<b>19,609</b>	<b>22,335</b>	<b>24,417</b>

**Profit and Loss Account** (Amount, Rs. In Lacs)

Particulars	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22
	Projected	Projected	Projected	Projected	Projected
Revenue from Operations (Net)	16,244	17,856	18,677	19,611	20,592
Other Income	581	581	581	581	581
<b>Total Revenue</b>	<b>16,824</b>	<b>18,437</b>	<b>19,258</b>	<b>20,192</b>	<b>21,172</b>
Cost of Material Consumed	8,115	8,823	9,152	9,563	9,993
Purchase of Traded Goods	2,477	2,601	2,731	2,868	3,011
Employee Benefit Expenses	436	458	481	505	530
Other Expenses	2,262	2,606	2,885	3,015	3,152
<b>Total Expenses</b>	<b>13,291</b>	<b>14,488</b>	<b>15,248</b>	<b>15,951</b>	<b>16,687</b>
<b>Profit before Int, Dep, and Taxes</b>	<b>3,533</b>	<b>3,949</b>	<b>4,009</b>	<b>4,241</b>	<b>4,485</b>
Depreciation	355	338	321	305	290
Interest	1,025	862	859	896	937
<b>Profit before Taxes</b>	<b>2,153</b>	<b>2,750</b>	<b>2,829</b>	<b>3,040</b>	<b>3,259</b>
Provision for Tax	704	911	938	1,011	1,087
<b>Profit after Taxes</b>	<b>1,449</b>	<b>1,839</b>	<b>1,891</b>	<b>2,029</b>	<b>2,172</b>

