



INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED

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CIN : U04010TZ1996PTC007421

NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH CONVENED MEETING OF THE SECURED CREDITORS OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED (“COMPANY”)

| | |
|-----------------------|---|
| Day & Date | SATURDAY, 27TH JANUARY, 2018 |
| TIME | 12.30 PM |
| VENUE | ARDRA CONVENTION CENTRE, “KAANCHAN”, NO.9, NORTH HUZUR ROAD, COIMBATORE-641018 |

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH
CA No. 204/CAA/2017

In the matter of Companies Act 18 of 2013

and

In the matter of Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013
of

Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited

Indsil Energy and Electrochemicals Private Limited,
represented by its Director Sri. Vinod Narsiman
having its registered office at 'Indsil House', Door No 103-107,
Tiruvankataswamy Road West, R S Puram, Coimbatore - 641002

First Applicant/Transferor Company

AND

Indsil Hydro Power and Manganese Limited,
represented by its Company Secretary Sri. S. Mahadevan
having its registered office at 'Indsil House', Door No:103-107,
Tiruvankataswamy Road West, R S Puram, Coimbatore - 641002

Second Applicant/Transferee Company

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF
INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED**

To

The Secured Creditors of Indsil Energy and Electrochemicals Private Limited ("the Company")

Notice is hereby given that by an Order dated 15th December, 2017 the Chennai Bench of the National Company Law Tribunal has directed a meeting to be held of the secured creditors of the company for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited ("the Scheme of the Company aforesaid").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the secured creditors of the company will be held at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 on Saturday, the 27th day of January, 2018 at 12.30 PM at which time and place the said secured creditors of the company are requested to attend.

In the said meeting, the following business will be transacted:

To consider, and if thought fit, approve with or without modification(s), the following resolution under Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 read with rules framed thereunder for approval of the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited:

"RESOLVED THAT *subject to the approval of the National Company Law Tribunal (NCLT), Chennai Bench or such other competent authority and subject to such approvals, permissions and sanctions of regulatory authorities under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and / or Companies Act, 1956 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 (including any statutory modifications(s) or re-enactment thereof for the time being in force) and subject to the observation letter dated 22nd August 2017 issued by BSE Limited and subject to the relevant provisions of other applicable laws and enabling provisions of the Memorandum of Association and Articles of Association of the Company, the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited ("Transferor Company") with Indsil Hydro Power and Manganese Limited ("Transferee Company"), a copy of which is sent along with the Notice, be and is hereby approved.*

“RESOLVED FURTHER THAT the Board of Directors of the Company and any person authorised by the Board, be and is hereby authorised to take all such steps as may be necessary or desirable and do all such acts, deeds, things and matters, as may be considered necessary to give effect to the aforesaid Scheme of Amalgamation and this Resolution and to accept such alteration, modification and/or conditions, if any, which may be proposed, required or imposed by the Hon’ble National Company Law Tribunal while sanctioning the said Scheme.”

Copies of the said Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited and of the statement under section 230 can be obtained free of charge at the registered office of the company or at the office of our counsel M/s.G. Sivashankaran & S. Sathyaganesh, Advocates, 9/2, First Cross Street, Seethammal Colony, Alwarpet, Chennai - 600018.

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the company at ‘Indsil House’, Door No:103-107, Tiruvenkataswamy Road West, R S Puram, Coimbatore - 641002, not later than 48 hours before the meeting.

Forms of proxy can be had at the registered office of the Company.

The Tribunal has appointed Mr. S.N. Varadarajan, Executive Vice-Chairman and failing him, Mr. Vinod Narsiman, Managing Director as Chairman of the said meeting. The above mentioned Scheme of Amalgamation, if approved by the meeting, will be subject to the subsequent approval of the tribunal.

Sd/-

S.N.Varadarajan

Chairman appointed for the meeting

Dated this 21st day of December, 2017

NOTES:

1. **A secured creditor entitled to attend and vote at the NCLT Convened Meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a secured creditor of the company.**

The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.

2. The Form of Proxy is annexed this Notice and can also be obtained from the Registered office of the company.
3. All alterations made in the Form of Proxy should be initialled.
4. During the period beginning 24 (Twenty-four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a secured creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
5. Only secured creditors of the Company may attend and vote either in person or by proxy (a proxy need not be a secured creditor of the Company) or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the secured creditors of the Company. The authorised representative of a body corporate which is a secured creditor of the Company may attend and vote at the meeting of the secured creditors of the Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the secured creditors of the Company is deposited at the registered office of the Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the secured creditors of the Company. The Form of Proxy can be obtained free of charge at the registered office of the Company.
6. A statement pursuant to Section 230(3)& 232(2) of the Companies Act, 2013, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, setting out material facts, in respect of Special Business as set out above to be transacted at the meeting is annexed hereto and forms part of this Notice.

7. The quorum of the meeting of secured creditors of the Company shall be 3 in number and constituting 25% or more of the secured credit. In case, the said quorum is not present at fixed time for meeting, the meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.
8. The Notice is being sent to all the secured creditors as on 31st August 2017 (cut-off date).
9. Only the secured creditors of the Company may attend (in person or by proxy) and vote at the Tribunal Convened Meeting of the secured creditors.
10. The secured creditors are requested to hand over the enclosed Attendance Slip, duly filled and signed for admission to the meeting hall.
11. The material documents referred to in the accompanying Statement shall be open for inspection at the Registered Office of the company on all working days up to the date of declaration of results of the meeting.
12. Secured Creditors are requested to note that the venue of the Tribunal convened meeting of the secured creditors of the company is at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 and the route map containing the complete particulars of the venue is attached to this Notice.
13. In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the secured creditors of the company voting in person or by proxy, agree to the Scheme.
14. Mr. M.D. Selvaraj FCS, Practising Company Secretary, MDS & Associates, Coimbatore has been appointed as scrutinizer for the said meeting of the Secured Creditors for conducting the poll process in a fair and transparent manner.
15. Post the meeting, the Scrutinizer will submit the report to the Chairman of the meeting after completion of scrutiny of the votes cast by the secured creditors of the Company through polling paper at the venue of the meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of votes cast through polling paper at the venue of the meeting will be announced on 29th January 2018 at the registered office of the Company. The results as declared by the Chairman, along with the reports of the scrutinizer shall be displayed at the registered office of the Company situated at Indsil House, Door No:103-107, Tiruvenkataswamy Road West, R S Puram, Coimbatore - 641002 and shall also be placed on the website of the Company viz. www.indsil.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CA No. 204/CAA/2017

In the matter of Companies Act 18 of 2013
and
In the matter of Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013
of
Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited

Indsil Energy and Electrochemicals Private Limited,
represented by its Director Sri. Vinod Narsiman
having its registered office at 'Indsil House', Door No 103-107,
Tiruvengataswamy Road West, R S Puram, Coimbatore - 641002

First Applicant/Transferor Company

AND

Indsil Hydro Power and Manganese Limited,
represented by its Company Secretary Sri. S. Mahadevan
having its registered office at 'Indsil House',
Door No:103-107, Tiruvengataswamy Road West,
R S Puram, Coimbatore - 641002

Second Applicant/Transferee Company

STATEMENT UNDER SECTIONS 230(3) & 232(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

The Audit Committee and the Board of Directors of the Company at their meetings held on 29th May 2017 and 16th June 2017 had approved the amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company).

BSE Limited ("BSE") vide its letter dated 22nd August 2017, has stated that it has no adverse observations for the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited.

In accordance with the Order of the National Company Law Tribunal, Chennai Bench and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017 ("the Circular") the resolution as mentioned in the Notice along with the details as required is being placed for the approval of the members.

I. Details of the order of the Tribunal directing the calling, convening and conducting of the meeting

- a. The National Company Law Tribunal, Chennai Bench, by an order dated 15th December, 2017 ("Order") in the Company Application referred to above, has directed the convening of the meeting of the Equity Shareholders of Indsil Hydro Power and Manganese Limited (Transferee Company) to be held on Saturday, the 27th day of January 2018 at 10.15 AM at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 for the purpose of considering and approving the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited (the "Scheme") under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013. The Hon'ble National Company Law Tribunal fixed 30 members present in person as the quorum for the said meeting. In case, the said quorum is not present at fixed time for meeting, the meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum. The Hon'ble National Company Law Tribunal has appointed Sri. S.N. Varadarajan, Executive Vice-Chairman and failing him Sri. Vinod Narsiman, Managing Director as the Chairman of the meeting.
- b. The National Company Law Tribunal, Chennai Bench by the said Order further dispensed with the convening of the meetings of the Equity and Preference Shareholders of Indsil Energy and Electrochemicals Private Limited (Transferor Company).
- c. The Order further directed the convening of the meeting of the Secured Creditors of the Transferee Company to be held on Saturday, the 27th day of January 2018 at 11.30 AM at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 to consider the Scheme.
- d. The Order further directed the convening of the meeting of the Secured Creditors of the Transferor Company to be held on Saturday, the 27th day of January 2018 at 12.30 PM at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 to consider the Scheme.

- e. The Order further directed the convening of the meeting of the Unsecured Creditors of the Transferee Company to be held on Saturday, the 27th day of January 2018 at 2.30 PM at Ardra Convention Centre, “Kanchan”, No.9, North Huzur Road, Coimbatore-641018 to consider the Scheme.
- f. The Order further directed the convening of the meeting of the Unsecured Creditors of the Transferor Company to be held on Saturday, the 27th day of January 2018 at 3.30 PM at Ardra Convention Centre, “Kanchan”, No.9, North Huzur Road, Coimbatore-641018 to consider the Scheme.

II. Details of the Transferor Company and Transferee Company

Details of Indsil Hydro Power and Manganese Limited (Transferee Company):

- a. Corporate Identification Number (CIN): L27101TZ1990PLC002849
- b. Permanent Account Number (PAN) : AAACI4918G
- c. Name of the Company : Indsil Hydro Power and Manganese Limited
- d. Date of Incorporation : 30th August 1990
- e. Type of Company : Listed Public Limited Company
- f. Registered Office Address & E-mail Address : “Indsil House”, Door No:103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002
indsilho@indsil.com

g. Summary of main object as per the Memorandum of Association and main business carried on by the Company

Summary of main object as per the Memorandum of Association

1. *To manufacture, buy, sell, export and import ferro silicon, ferro alloys, silicon metal, calcium carbide, calcium silicate and all other processes and iron and steel foundry materials.*
2. *To carry on the business of smelting, melting, refining, working and manufacturing of all kinds of ferrous and non-ferrous metals and alloys and to manufacture ingots, sheets, rods, wires, machinery parts and all such work both in ferrous and non-ferrous metals and alloys.*
3. *To purchase, take on lease or otherwise acquire any mines, mining rights and metalliferous land in India or elsewhere and any interest therein and to explore, prospect for work, exercise develop and turn to account the same. To crush, win, get quarry, smelt, calcine, refine, reduce, dress, amalgamate, manipulate and prepare for market auriferous quartz ore, metal and mineral substances of all kinds, and also the mining and refining from ores of various non-ferrous metals and to carry on any other metallurgical operations which may seem conducive to any of the Company's objects.*
4. *To carry on the business of acting as technical consultants, technical collaboration, consultants for designs & drawings for setting up of Ferro alloys and other industrial units in India in all countries.*
5. *To carry on the business of manufacturers, fabricators and dealers of machineries and equipments for manufacture of ferro alloys and other industrial activities.*

And such other objects are more fully mentioned in the Object Clause of the Memorandum of Association of the Company.

Main business carried on by the company

The Company is presently engaged in the business of manufacture of alloys including manganese alloys and hydro power generation.

h. Details of change of name, registered office and objects of the company during the last five years:

The company has not changed its name or registered office or its objects during the last five years.

i. Name of the stock exchange(s) where securities of the company are listed, if applicable:

The equity shares of the Transferee Company are listed on BSE Limited (“BSE”).

j. Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital:

| Particulars | Pre-Amalgamation | | Post Amalgamation | |
|---|------------------|--------------|-------------------|--------------|
| | No. of Shares | Amount in ₹ | No. of Shares | Amount in ₹ |
| Authorised Share Capital | | | | |
| Equity Shares of ₹ 10/- each | 2,00,00,000 | 20,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| Redeemable Cumulative Preference Shares of ₹ 100/- each | 5,00,000 | 5,00,00,000 | Nil | Nil |
| Redeemable Preference Shares of ₹ 10/- each | Nil | Nil | 2,00,00,000 | 20,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | | | | |
| Equity Shares of ₹ 10/- each | 1,58,86,792 | 15,88,67,920 | 2,77,69,714 | 27,76,97,140 |
| 10% Redeemable Cumulative Preference Shares of ₹10/- each | Nil | Nil | 1,50,00,000 | 15,00,00,000 |

k. Names of the promoters and directors along with their addresses

Names of Promoters and Promoter Group as on 30th September 2017:

| S. No. | Name of the Promoters and Promoter Group | Addresses |
|------------|--|--|
| I. | Promoters | |
| 1. | S N Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 2. | Vinod Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |
| II. | Promoter Group | |
| 1. | Ashok Kumar B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 2. | Balchand B (HUF) | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 3. | Inder Chand Kothari. S | Shobha Syndicate, 859, Raja Street, Coimbatore - 641001 |
| 4. | Mahaveerchand B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 5. | Parasmal B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 6. | Balchand B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 7. | Deep Prakash M | No. 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 8. | Ajit B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 9. | Pankaj B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 10. | Vasant B | 9/8, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 11. | Ashok B | 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 12. | K S Mahadevan | No 5 Ramnagar, Gandhinagar II, Erode - 638009 |
| 13. | M Priya | No 5 Ramnagar, Gandhinagar II, Erode - 638009 |
| 14. | M Kalaiselvi | No 5 Ramnagar, Gandhinagar II, Erode - 638009 |
| 15. | Sharmila M | No 5 Ramnagar, Gandhinagar II, Erode - 638009 |
| 16. | Pavan Kumar. I | C/o. Shobha Syndicate, 859, Raja Street, Coimbatore - 641001 |
| 17. | Mohit P | No. 9/6, Cross Cut Road, Gandhipuram, Coimbatore - 641012 |
| 18. | P Rishab Kumar | 393 - A, Raja Street, Coimbatore - 641001 |
| 19. | Prasanna Kumar. I | C/o. Shobha Syndicate, 859, Raja Street, Coimbatore - 641001 |
| 20. | D Pushpa Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 21. | Jayashree Vinod | 222/223, Alagesan Road, Coimbatore - 641011 |
| 22. | Vishwaa Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |
| 23. | Rudra Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |

| S. No. | Name of the Promoters and Promoter Group | Addresses |
|--------|--|---|
| 24. | Sunmet Holdings India Private Limited | "Indsil House", Door No.103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002 |
| 25. | SNV Holdings Private Limited | "Indsil House", Door No.103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002 |

Names of Directors as on 30th November 2017:

| S. No. | Names of Directors | Addresses |
|--------|-----------------------|---|
| 1. | S N Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 2. | Vinod Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |
| 3. | D. Pushpa Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 4. | Balchand B | 7, Arihant, A.T.T.Colony, Behind Hindu Office, Coimbatore - 641018 |
| 5. | S Inderchand | 859, Raja Street, Coimbatore - 641001 |
| 6. | Mahadevan K S | 5, Gandhi Nagar, Colony II Erode - 638009 |
| 7. | Ramakrishnan K | 16/448, Narasimhapuram Chadayan Kalaai, Kanjikode - 678623 |
| 8. | A K Sreedharan | 'Vijay Mandir', College Road, Palakkad HPO, Palakkad - 678001 |
| 9. | V Dharmaraj | Old No. 24, New No.42, Father Rondy Street, R.S. Puram, Coimbatore - 641002 |
| 10. | K Annamalai | No.9, Alwin Nagar, Sungam Bye-Pass Rd, Ramanathapuram, Coimbatore - 641045 |

Details of Indsil Energy and Electrochemicals Private Limited (Transferor Company):

- a. Corporate Identification Number (CIN): U04010TZ1996PTC007421
- b. Permanent Account Number (PAN) : AABC10028G
- c. Name of the Company : Indsil Energy and Electrochemicals Private Limited
- d. Date of Incorporation : 21st August, 1996
- e. Type of Company : Unlisted Private Limited Company
- f. Registered Office Address & E-mail Address : "Indsil House", Door No:103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002
indsilho@indsil.com
- g. Summary of main object as per the Memorandum of Association and main business carried on by the Company

Summary of main object as per the Memorandum of Association

1. To generate electricity by hydel, thermal, solar, windmill, diesel, gas, atomic power, biomass and other means (conventional and non conventional energy sources), use, purchase, accumulate, supply, distribute, transmit and sell energy and to undertake and implement such infrastructure projects.
2. To carry on the business of smelting, melting, refining, working and manufacturing of all kinds of electrochemicals including all kinds of ferrous and non-ferrous metals, ferro alloys, alloys, steel, stainless steel, calcium carbide, calcium silicate, metallic phosphorous and metallic sodium and all other processes.
3. To purchase, take on lease or otherwise acquire any ferro alloys, steel plants, mines, mining rights and metalliferous land in India or elsewhere and any interest therein and to explore, prospect for work, exercise develop and turn to account the same. To crush, win get quarry, smelt, calcine, refine, reduce, dress, amalgamate, manipulate and prepare for market auriferous quartz, ore, metal and mineral substances of all kinds, and also the mining and refining from ores of various non-ferrous metals and to carry on any other metallurgical operations which may seem conducive to any of the Company's objects.

And such other objects are more fully mentioned in the Object Clause of the Memorandum of Association of the Company.

Main business carried on by the Company

The Company is presently engaged in the business of manufacture of manganese alloys and generation of electricity through thermal power plant.

h. Details of change of name, registered office and objects of the company during the last five years:

The company was converted from a public limited company into a private limited company with effect from 16th December, 2014, consequent to which the name of the company was changed from “Indsil Energy and Electrochemicals Limited” to “Indsil Energy and Electrochemicals Private Limited”. Other than this, the Company has not changed its name or registered office or its objects during the last five years.

i. Name of the stock exchange(s) where securities of the company are listed, if applicable:

The Equity & Preference shares of the Transferor Company are not listed in any of the stock exchanges.

j. Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital:

| Particulars | Pre- Amalgamation | |
|--|-------------------|--------------|
| | No. of Shares | Amount in ₹ |
| Authorised Share Capital | | |
| Equity Shares of ₹ 2/- each | 5,00,00,000 | 10,00,00,000 |
| Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 1,50,00,000 | 15,00,00,000 |
| Issued Share Capital | | |
| Equity Shares of ₹ 2/- each | 2,43,88,499 | 4,87,76,998 |
| Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 1,50,00,000 | 15,00,00,000 |
| Subscribed and Paid-up Share Capital | | |
| Equity Shares of ₹ 2/- each | 2,43,78,389 | 4,87,56,778 |
| Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 1,50,00,000 | 15,00,00,000 |

Post amalgamation, the entire authorised share capital of M/s.Indsil Energy and Electrochemicals Private Limited (Transferor Company) shall stand combined with the authorised share capital of M/s.Indsil Hydro Power and Manganese Limited (Transferee Company) and the entire paid-up share capital of the Transferor Company shall stand cancelled.

The shareholders of M/s.Indsil Energy and Electrochemicals Private Limited will be allotted shares in M/s.Indsil Hydro Power and Manganese Limited in accordance with the Share Exchange Ratio as mentioned in the Scheme of Amalgamation.

k. Names of the promoters and directors along with their addresses as on 30th September, 2017

Names of Promoters and Promoter Group:

| S. No. | Name of the Promoters and Promoter Group | Addresses |
|-----------|--|---|
| I. | Promoters | |
| 1. | S N Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 2. | Vinod Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |
| 3. | D Pushpa Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 4. | Jayashree Vinod | 222/223, Alagesan Road, Coimbatore - 641011 |
| 5. | Indsil Hydro Power and Manganese Limited | “Indsil House”, Door No.103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002 |
| 6. | Sunmet Holdings India Private Limited | “Indsil House”, Door No.103-107, Tiruvenkataswamy Road (West), R S Puram, Coimbatore - 641002 |
| 7. | Crosimn Agencies Private Limited | “Indsil House”, 3 rd Floor, T.V.Samy Road (West), R.S.Puram Coimbatore - 641002 |

| S. No. | Name of the Promoters and Promoter Group | Addresses |
|------------|--|--|
| II. | Promoter Group | |
| 1. | K S Mahadevan | No. 4, Gandhi Nagar Colony, 2 nd Street, Near Corporation Water Tank, Erode-638009 |
| 2. | M Priya | No. 5A, Poosari Chennimalai, 2 nd Street, Erode - 638009 |
| 3. | M Kalaiselvi | No. 4, Gandhi Nagar Colony, 2 nd Street, Near Corporation Water Tank, Erode- 638009 |
| 4. | Sharmila M | No. 50 NGGO Colony, Main Street, Erode - 638009 |
| 5. | Inder Chand Kothari. S | 51, East Ponnurangam Road, R.S.Puram, Coimbatore - 641002 |
| 6. | Prasan Kumar I | 53, Ponnurangam Road (East), R.S.Puram, Coimbatore - 641002 |
| 7. | Pavan Kumar I | 53, Ponnurangam Road (East), R.S.Puram, Coimbatore - 641002 |
| 8. | P Rishab Kumar | 393A, Raja Street, Coimbatore Central, Coimbatore - 641001 |
| | Names of Directors: | |
| 1. | S N Varadarajan | 239, Alagesan Road, Coimbatore - 641011 |
| 2. | Vinod Narsiman | 222/223, Alagesan Road, Coimbatore - 641011 |
| 3. | M Kannan | House No.H-201, Ashoka Heights, Mova, Pandri, Raipur - 493002 |

Post sanction of the Scheme of Amalgamation, the Transferor Company shall stand dissolved.

III. Indsil Hydro Power and Manganese Limited (Transferee Company) and Indsil Energy and Electrochemicals Private Limited (Transferor Company) are group companies with common promoters. However, there is no relationship in the nature of Holding, subsidiary or associate company.

IV. The Board of Directors of the Transferor and Transferee Company at their meetings held on 16th June, 2017 approved the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company).

All the Directors present at the meeting voted in favour of the resolution.

Names of directors and the details of voting on the said resolution in the Transferor Company and Transferee Company are as follows:

| Particulars | Indsil Energy and Electrochemicals Private Limited (Transferor Company) | Indsil Hydro Power and Manganese Limited (Transferee Company) |
|---|---|--|
| Names of directors who voted in favour of the resolution | a. Mr. S.N. Varadarajan# b. Mr. Vinod Narsiman# | a. Mr. B. Balchand b. Mr. S. Inderchand c. Dr. A.K. Sreedharan d. Mr. K.S. Mahadevan e. Dr. T.C.P. Nambiar f. Mr. K. Ramakrishnan |
| Names of Directors who voted against the resolution | None | None |
| Names of Directors who did not vote or participate on the resolution | Mr. M. Kannan^ | a. Mr. S.N. Varadarajan* b. Mr. Vinod Narsiman* c. Mrs. D. Pushpa Varadarajan* |

Sri. S.N. Varadarajan & Sri. Vinod Narsiman being interested disclosed their interest and participated in the resolution.

^ Sri. M. Kannan, Director had sought and was given leave of absence from the above-mentioned meeting and had not attended the meeting.

* The interested directors did not participate or vote on the resolution.

V. **Explanatory Statement disclosing the details of the Scheme of Amalgamation**

a. **Scheme of Amalgamation:**

The Scheme of Amalgamation proposes the amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company). A copy of the Scheme of Amalgamation has been annexed herewith as **Annexure 1** to this Notice.

b. Appointed Date:

The appointed date for the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited is 1st April, 2017 or any other date as may be stipulated by the National Company Law Tribunal.

c. Effective Date:

Effective Date shall be the date or last of the dates on which the certified copy of the order of the National Company Law Tribunal sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Company and the Transferee Company.

d. Share Exchange Ratio and other considerations, if any:

In terms of Clause 10 of Part II of the Scheme of Amalgamation, upon the Scheme becoming effective, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Company, 49 (Forty-Nine) fully paid equity shares of ₹10/- each in the Transferee Company for every 100 (One Hundred) fully paid equity shares of ₹ 2/- each in the Transferor Company.

Further, the Transferee Company shall issue and allot to the preference shareholders of the Transferor Company, 1 (One) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each for every 1 (One) Convertible Optionally Redeemable Preference Share of ₹ 10/- each in the Transferor Company.

e. Summary of Valuation Report and Fairness Opinion:

The Board of Directors of the Transferor and Transferee Company at their meetings held on 29th May 2017 had appointed M/s.Doogar & Associates, Chartered Accountants, New Delhi to determine the Share Exchange Ratio for the purpose of amalgamation of Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited.

Accordingly, M/s.Doogar & Associates adopted multiple methodologies for arriving at the Share Exchange Ratio taking into consideration the pricing provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and recommended the Share Exchange Ratio as mentioned above.

A copy of the valuation report dated 16th June 2017 issued by M/s.Doogar & Associates has been annexed herewith as **Annexure 2** to this Notice.

Further, the Transferee Company has obtained a Fairness Opinion dated 16th June 2017 from M/s.Mefcom Capital Markets Limited on the valuation report issued by M/s.Doogar & Associates and the same is annexed herewith as **Annexure 3** to this Notice.

The Pre-Scheme shareholding pattern of the Transferor Company and Transferee Company and the Post Scheme (expected) Shareholding Pattern of the Transferee Company is annexed as **Annexure 4** to this Notice.

f. Details of Capital or Debt Restructuring:

Not Applicable

g. Rationale & Benefits for the Scheme of Amalgamation:

The Scheme of Amalgamation is expected to yield the following benefits:

- i. Enable consolidation of the business of both companies into one entity which will facilitate economies of scale, focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
- ii. Bring in a thermal power base which would effectively diversify the transferee's risk in terms of dependence on monsoons for its power plant.
- iii. Consolidation of a 50% stake in Al-Tamman Indsil Ferro Chrome LLC, a Ferrochrome manufacturing company located in the Sultanate of Oman and consolidation of other subsidiary companies.
- iv. Result in a diversified power generation base and also regional diversification across Chhattisgarh, Andhra Pradesh, Kerala and the Sultanate of Oman including diversification of products like Ferro Chrome, Low Carbon Silico Manganese and regular Silico Manganese.
- v. Pooling of resources (including manpower, management, administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimization of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- vi. Strengthening financial position and increased leverage capacity of the merged entity.

vii. Create long term value to the shareholders by unlocking value since the business and profits will accrue to a single entity.

h. Amount due to unsecured creditors:

Indsil Energy and Electrochemicals Private Limited (Transferor Company):

The Transferor Company as on 31.08.2017 has 186 unsecured creditors to whom an amount of ₹ 13,08,39,060/- is due to be paid.

Indsil Hydro Power and Manganese Limited (Transferee Company):

The Transferee Company as on 31.08.2017 has 92 unsecured creditors to whom an amount of ₹ 2,46,14,377/- is due to be paid.

Pursuant to the Order of the National Company Law Tribunal, Chennai Bench, a meeting of the unsecured creditors of both the companies are being convened to obtain their approval for the Scheme of Amalgamation.

VI. Disclosure about the effect of the Scheme of Amalgamation on:

(a) Key Managerial Personnel:

The Key Managerial Personnel of the Transferor Company and Transferee Company and / or their relatives are interested to the extent of their shareholding in the Transferor & Transferee Company and to the extent to which shares may be allotted to them pursuant to the Scheme of Amalgamation. As such there will be no adverse impact consequent to the Scheme of Amalgamation.

(b) Directors:

The Directors of the Transferor Company and Transferee Company and / or their relatives are interested to the extent of their shareholding in the Transferor & Transferee Company and to the extent to which shares may be allotted to them pursuant to the Scheme of Amalgamation. As such there will be no adverse impact consequent to the Scheme of Amalgamation.

(c) Promoters:

The promoters of the Transferor Company and Transferee Company and / or their relatives are interested to the extent of their shareholding in the Transferor & Transferee Company and to the extent to which shares may be allotted to them pursuant to the Scheme of Amalgamation. As such there will be no adverse impact consequent to the Scheme of Amalgamation.

(d) Non-promoter members:

The Non-promoter members of the Transferor and Transferee Companies are not in any manner interested in the Scheme, and will not be adversely affected by the same.

(e) Depositors:

The Transferor Company and Transferee Company have not accepted any deposits and hence disclosure as to effect of the scheme on the depositors does not arise.

(f) Creditors:

The Scheme would not be prejudicial to the interests of the creditors (secured and unsecured) of any of the companies. No compromise is offered under the Scheme to the creditors of the Transferor & Transferee Company. The liability of the creditors of the Transferor & Transferee Company is neither being reduced nor being extinguished. There is no likelihood that any secured or unsecured creditor of the companies would be prejudiced as a result of the Scheme being passed nor are their rights sought to be modified in any manner. Hence, the amalgamation of the Transferor Company with the Transferee Company pursuant to the Scheme will not cast any additional burden on the creditors of the Transferee Company, nor will it affect the interest of any of the creditors.

(g) Debenture Holders:

The Transferor Company and the Transferee Company have not issued any debentures and hence disclosure as to effect of the scheme on the debenture holders does not arise.

(h) Deposit Trustee & Debenture Trustee

The Transferor Company and the Transferee Company have no deposit trustees or debenture trustees and hence the disclosure as to effect of the scheme on them does not arise.

(i) Employees:

All the permanent executives, staff, workmen, and other employees in the service of the Transferor Company immediately before the Appointed Date shall become the executives, staff, workmen and other employees of the Transferee Company on terms and conditions not less favourable as applicable to them.

VII. Disclosure about effect of the Scheme of Amalgamation on material interests of Directors, Key Managerial Persons and Debenture trustees

The Scheme does not have any effect on the material interests of the Directors or Key Managerial Personnel of the Company except to the extent of their Shareholding in the respective companies and to the extent to which shares may be allotted to them pursuant to the Scheme of Amalgamation.

VIII. Investigation or proceedings, if any, pending against the company under the Act:

No investigation proceedings have been instituted or are pending in relation to the Transferor and Transferee Companies under the Companies Act, 1956/ 2013.

IX. Documents available for Inspection by the shareholders and creditors:

The following documents will be open for inspection at the Registered Office of the Transferor Company and Transferee Company on all working days upto the date of declaration of results of meeting:

- a. Certified copy of the Order dated 15th December, 2017, passed by the National Company Law Tribunal, Chennai Bench in CA No. 204/CAA/2017;
- b. Copies of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- c. Copies of the annual reports (Standalone & Consolidated) for the last three financial years (i.e. 31st March 2017, 31st March 2016 and 31st March 2015) of the Transferor Company
- d. Copies of the annual reports (Standalone & Consolidated) for the last three financial years (i.e. 31st March 2017, 31st March 2016 and 31st March 2015) of the Transferee Company;
- e. Copies of the unaudited financial statements of the Transferee Company for the period ended 30th September 2017 and unaudited financial statements of the Transferor Company for the period 30th September 2017
- f. Copy of the Scheme of Amalgamation
- g. Copy of the Report of the Audit Committee dated 16th June 2017 recommending the Scheme of Amalgamation
- h. Copy of the extracts of the Board Resolutions dated 29th May 2017 and 16th June 2017 of the Transferor Company and Transferee Company approving the amalgamation.
- i. Copy of the Valuation Report dated 16th June 2017 issued by M/s.Doogar & Associates, Chartered Accountants, New Delhi.
- j. Copy of the Fairness Opinion dated 16th June 2017 issued by M/s.Mefcom Capital Markets Limited, SEBI Registered Merchant Bankers.
- k. Copy of the Report adopted by the Board of Directors of Transferee Company at their meeting held on 21st December, 2017 pursuant to Section 232(2)(c) of the Companies Act, 2013
- l. Copy of the Report adopted by the Board of Directors of the Transferor Company at their meeting held on 21st December, 2017 pursuant to Section 232(2)(c) of the Companies Act, 2013
- m. Copy of the Observation Letter of the BSE Limited dated 22nd August 2017
- n. Copy of the Complaints Report dated 1st August 2017 submitted by the Transferee Company to BSE Limited
- o. Copy of the Compliance Report dated 16th June 2017 issued by the Managing Director, Chief Financial Officer and Company Secretary of the Transferee Company in terms of SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017
- p. Contracts or agreements material to the Scheme of Amalgamation
- q. Register of Directors' shareholding of the Transferor Company and the Transferee Company
- r. The certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
- s. Copy of the Information pertaining to Indsil Energy and Electrochemicals Private Limited as required under SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017 read with Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and

- t. Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.
- X. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme of Amalgamation**
- a. As required by the SEBI Circular, the Transferee Company has filed the Complaints Report with BSE Limited on 1st August 2017. After filing of the Complaints Reports, the Transferee Company has received NIL complaints. A copy of the Complaints Report is enclosed as **Annexure 5** to this Notice.
- b. Pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017, the Transferee Company had filed necessary applications before the stock exchange viz., BSE Limited, seeking its no-objection to the Scheme. The Company has received the Observation Letter from BSE Limited dated 22nd August 2017. A copy of the Observation Letter is enclosed as **Annexure 6** to this Notice.
- c. A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is also being forwarded to the Registrar of Companies, Regional Director, Income Tax Authorities, Official Liquidators and such other authorities as stipulated in terms of the Order of the National Company Law Tribunal, Chennai Bench dated 15th December, 2017.
- d. The Scheme is subject to the approval by the requisite majority of the classes of persons, including shareholders, creditors of the Transferor Company and Transferee Company as may be directed by the National Company Law Tribunal under Section 230 to 232 of the Companies Act, 2013.
- e. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Transferee Company, voting in person either by postal ballot or remote e-voting, agree to the Scheme.
- f. In terms of SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017, the Scheme of Amalgamation shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- g. Upon approval of the members and creditors of the company, a petition will be made to the National Company Law Tribunal, Chennai Bench for sanctioning the Scheme of Amalgamation of the Transferor Company with the Transferee Company pursuant to Section 230 to 232 of the Companies Act, 2013.
- XI. The shareholders may vote in the meeting either in person or by proxy or through postal ballot or by electronic means, as provided for in this Notice. Creditors may vote in the meeting either in person or by proxy.**
- XII. Other Matters**
- a. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the respective Board of Directors of Indsil Energy and Electrochemicals Private Limited (Transferor Company) and Indsil Hydro Power and Manganese Limited (Transferee Company) in their separate meetings held on 21st December, 2017 has adopted a report, inter alia, explaining the effect of the Scheme on their respective shareholders and Key Managerial Personnel amongst others. Copy of the Reports adopted by the respective Board of Directors are enclosed as **Annexure 7 and Annexure 8** respectively.
- b. A copy of the proposed Scheme of Amalgamation has been filed by Indsil Energy and Electrochemicals Private Limited (Transferor Company) and Indsil Hydro Power and Manganese Limited (Transferee Company) before the Registrar of Companies, Coimbatore.
- c. The Supplementary Unaudited Financial Statements of Indsil Hydro Power and Manganese Limited & Indsil Energy and Electrochemicals Private Limited for the period ended 30th September 2017 is enclosed as **Annexure 9 and Annexure 10** respectively.
- d. The Information pertaining to Indsil Energy and Electrochemicals Private Limited as required under SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017 read with Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 is enclosed as **Annexure 11**.

Sd/-

S.N. Varadarajan
Chairman appointed for the meeting

Dated this 21st day of December, 2017

**SCHEME OF AMALGAMATION
OF
INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
WITH
INDSIL HYDRO POWER AND MANGANESE LIMITED
(Under Sections 230 to 232 of the Companies Act 2013)**

PREAMBLE & RATIONALE TO THE SCHEME

- (A) **INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED - CIN: U04010TZ1996PTC007421** (hereinafter referred to as the “Transferor Company”) was incorporated on the 21st day of August, 1996 under the Companies Act, 1956, in the State of Tamil Nadu under the name and style of ‘Indsil Energy Limited’ and obtained the certificate of commencement of business on 27th September 1996. Subsequently, the name of the company was changed to ‘Indsil Energy and Electrochemicals Limited’ on 4th October 2002. Later, the company was converted into a private limited company with effect from 16th December 2014. The registered office of the Transferor Company is situated at “Indsil House” Door No.103-107, Thiruvankatasamy Road West, R S Puram Coimbatore - 641002, Tamil Nadu, India. The Transferor Company is engaged in the business of manufacture of manganese alloys and generation of electricity through thermal power plant (hereinafter referred to as the “**Business of the Transferor Company**”).
- (B) **INDSIL HYDRO POWER AND MANGANESE LIMITED-CIN: L27101TZ1990PLC002849** (hereinafter referred to as “Transferee Company”), was incorporated on 30th day of August, 1990 under the Companies Act, 1956, in the State of Tamil Nadu under the name and style ‘Indsil Electrosmelts Limited’ and obtained the certificate of commencement of business on 7th November, 1990. Subsequently, the name of the company was changed as ‘Indsil Hydro Power and Manganese Limited’ on 18th December 2008. The registered office of the Transferee Company is situated at Indsil House, Door No: 103-107, Thiruvankatasamy Road West, R S Puram, Coimbatore - 641002, Tamil Nadu, India. The equity shares of the Transferee Company are listed on BSE Limited (“**BSE**”). The Transferee Company is engaged in the business of manufacture of manganese alloys and hydro power generation.
- (C) The Scheme of Amalgamation of the Transferor Company with the Transferee Company has been formulated and presented under sections 230 to 232 of the Companies Act, 2013.
- (D) The Scheme of Amalgamation of the Transferor Company with the Transferee Company is in compliance with the norms laid down under Section 2 (1B) of the Income Tax Act, 1961.
- (E) The Scheme of Amalgamation is expected to yield the following benefits :
- (i) Enable consolidation of the business of both companies into one entity which will facilitate economies of scale, focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
 - (ii) Bring in a Thermal Power base which would effectively diversify the transferee’s risk in terms of dependence on monsoons for its power plant.
 - (iii) Consolidation of a 50% stake in Al-Tamman Indsil Ferro Chrome LLC, a Ferrochrome manufacturing Company located in the Sultanate of Oman and consolidation of other subsidiary companies.
 - (iv) Result in a diversified power generation base and also regional diversification across Chattisgarh, Andhra Pradesh, Kerala and the Sultanate of Oman including diversification of products like Ferro Chrome, Low Carbon Silico Manganese and regular Silico Manganese.
 - (v) Pooling of resources (including manpower, management, administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
 - (vi) Strengthening financial position and increased leverage capacity of the merged entity
 - (vii) Create long term value to the shareholders by unlocking value since the business and profits will accrue to a single entity.

PART I - GENERAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 1.1 **“Act”** means the Companies Act, 2013 and/or the Companies Act, 1956 as in force including any statutory modification or re-enactment thereof from time to time.
- 1.2 **“Appointed Date”** means the date from which this Scheme shall become operative viz., 1st April 2017 or any other date as may be stipulated by the Tribunal.
- 1.3 **“Board”** or **“Board of Directors”** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of Directors or any person authorized by the Board of Directors or such committee of Directors;
- 1.4 **“Tribunal”** means the National Company Law Tribunal (**“NCLT”**) & the National Company Law Appellate Tribunal (**“NCLAT”**) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise and amalgamation or reconstruction of companies under sections 230 to 240 of the Companies Act, 2013.
- 1.5 **“Effective Date”** means the date or last of the dates on which the certified copy of the order of the Tribunal sanctioning this Scheme is filed with the concerned Registrar of Companies by the Transferor Company and the Transferee Company.
- 1.6 **“Scheme of Amalgamation ”or” Scheme”** or **“The Scheme”** or **“This Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the Tribunal.
- 1.7 **“Transferee Company”** means **“INDSIL HYDRO POWER AND MANGANESE LIMITED”**, a public listed Company incorporated under the Companies Act, 1956 on 30th day of August, 1990 and having its registered office at ‘Indsil House’, Door No: 103-107, Thiruvankatasamy Road West, R S Puram, Coimbatore - 641002, Tamil Nadu, India.
- 1.8 **“Transferor Company”** means **“INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED”**, a company incorporated under the Companies Act, 1956 on 21st day of August, 1996 and having its registered office at “Indsil House” Door No.103-107, Thiruvankataswamy Road West, R S Puram Coimbatore - 641002, Tamil Nadu, India.
- 1.9 **“Undertaking”** shall mean and include the whole of the undertaking of the Transferor Company, as a going concern, including the entire business of the Transferor Company, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable property (as set out in Schedule-A) real or personal, in possession or reversion, corporeal or incorporeal, tangible or -intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed assets, tangible assets, intangible assets, deferred tax assets, movable assets, plant and machinery, furniture and fixtures, motor vehicles, lab equipments, electrical installations, capital work in progress, intangible assets under development, inventories, raw material and components, work in progress, finished goods, trading goods, stores and spares, trade receivables, cash on hand and cash with banks, fixed deposits with banks, Margin money held by banks, loans and advances receivable, advance for purchases, advance for expenses, advance to employees, advance payment of taxes, deposits with statutory authorities, other deposits, current assets, export incentives receivable, cenvat& service tax credit accrued, MAT credit entitlement, unutilized input credit under Goods and Service Tax ,Capital advances, electricity charges recoverable, security deposits, rental advances, prepaid expenses, income tax receivables, non-current assets, trade investments, investments in Al-Tamman Indsil Ferro Chrome LLC, investments in Sree Mahalakshmi Smelters Private Limited, investments in Vimla Infrastructure India Pvt Ltd, investments in Indsil Energy Global (FZE), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, copyrights, patents, trade names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and land leased from CSIDC and other lease agreements, lending arrangements, benefits of security arrangements, computers, servers, networks, printers, UPS, office equipment, telephones, telexes, facsimile connections, communication facilities, electrical installations, computer software, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents including but not limited to the consent of the Board issued under Water (Prevention and Control of Pollution) Act, 1974 and consent of the board issued under the Air (Prevention and Control of Pollution) Act, 1981, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, loans and advances, all kinds of revenues, income of all kinds, all kinds of costs, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, etc.), software licences, Domain / Websites etc., in connection with or relating to the Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.
- 1.10 **“Proceedings”** include any Suit, Appeal or any Legal proceedings of whatsoever nature in any Court of law or Tribunal or any Judicial or quasi-judicial authority, Arbitration proceedings and assessment proceedings before any authority under any statute.

1.11 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

2.1 The present Share Capital of the Transferor Company is as under

| Particulars | Amount in ₹ |
|--|--------------|
| Authorised Share Capital | |
| 5,00,00,000 Equity Shares of ₹ 2/- each | 10,00,00,000 |
| 1,50,00,000 Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 15,00,00,000 |
| Issued Share Capital | |
| 1,50,00,000 Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 15,00,00,000 |
| 2,43,88,499 Equity Shares of ₹ 2/- each | 4,87,76,998 |
| Subscribed and Paid-up Share Capital | |
| 1,50,00,000 Convertible Optional Redeemable Preference Shares of ₹ 10/- each | 15,00,00,000 |
| 2,43,78,389 Equity Shares of ₹ 2/- each | 4,87,56,778 |

2.2 The present Share Capital of the Transferee Company is as under

| Particulars | Amount in ₹ |
|--|--------------|
| Authorised Share Capital | |
| 2,00,00,000 Equity Shares of ₹ 10/- each | 20,00,00,000 |
| 5,00,000 Redeemable Cumulative Preference Shares of ₹ 100/- each | 5,00,00,000 |
| Issued Subscribed and Paid-up Share Capital | |
| 1,58,86,792 Equity Shares of ₹ 10/- each | 15,88,67,920 |

PART II - TRANSFER AND VESTING

3. TRANSFER OF UNDERTAKINGS

3.1 The entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising its entire business, all assets and liabilities of whatsoever nature and wheresoever's situated, including the immovable properties, if any, shall, under the provisions of Sections 230 to Section 232 and all other applicable provisions, if any, of the Companies Act, 2013, without any further act or deed (save as provided in Sub-clauses (b), (c), (d) and (e) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.
- With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description of the Transferor Company, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet, including but not limited to deferred tax liabilities, loans from banks, loans from corporates, statutory liabilities, liabilities for employees cost, liabilities for expenses, advances against sales, advances from customers, expenses payable, shall also, under the provisions of Sections 230 to Section 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third

party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

- (c) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.
- (d) With effect from the Appointed Date all permits, quotas, rights, entitlements, licences (including software licences), accreditations to trade and industrial bodies, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary thereto.
- (e) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Transferor Company is concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.
- (f) Loans or other obligations, contracts or agreements if any, between the Transferor Company and the Transferee Company shall stand extinguished and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by any Transferor Company, and held by the Transferee Company and vice versa is concerned, the same shall, unless sold or transferred by the said Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (g) The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.

3.2 The post-merger statement of assets and liabilities of the Transferee Company as on the appointed date is given in Schedule B annexed herewith.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

4.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this amalgamation under this Scheme (including but not limited to the Coal Supply Agreement between South-Eastern Coal Fields Limited and the Transferor Company), shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.

4.2 As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

5. LEGAL PROCEEDINGS

5.1 All suits, actions and proceedings of whatsoever nature by or against the Transferor Company on the Appointed Date shall be transferred to the name of the Transferee Company and the same shall be continued and enforced by or against the Transferee Company, to the exclusion of the Transferor Company, as the case may be.

5.2 If proceedings are taken against the Transferor Company, in respect of matters referred to above, the Transferor Company shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be from the Appointed Date till the Effective Date, and the latter shall reimburse and indemnify the Transferor Company, against all liabilities and obligations incurred by the Transferor Company in respect thereof.

6. TRANSFEROR COMPANY STAFF, WORKMEN AND EMPLOYEES

- 6.1 All the permanent executives, staff, workmen, and other employees in the service of the Transferor Company, immediately before the Appointed Date, under this Scheme shall become the executives, staff, workmen, and other employees of the Transferee Company, on the basis that:
- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947;
 - b) The terms and conditions of service applicable to the said staff, workmen, and other employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;
 - c) In the event of retrenchment of such staff, workmen, or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
 - d) It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company and existing in the Transferee Company for the benefit of the staff, workmen and other employees of the Transferee Company shall also be extended to the employees of the Transferor Company upon the Scheme becoming finally effective. The said benefits shall be extended to the employees of the Transferor Company even if such benefits were not available to the employees during their tenure in the Transferor Company, by virtue of non applicability of the relevant provisions to the Transferor Company. Notwithstanding what is stated herein above in respect of applicability of Employees Provident Fund to the employees of Transferor Company with retrospective effect from a date to be determined by the Board of Directors of Transferee Company the extension of benefit to the employees of Transferor Company shall be subject to the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the approvals of the authorities concerned for giving effect to the implementation date. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations, in whatsoever nature, that are available to the employees of the Transferee Company shall also be available to all the employees of the Transferor Company in relation to Provident Fund, Gratuity and Pension and/ or Superannuation Fund or any other special fund, however subject to the provisions of the relevant and applicable statutes.

7. SAVING OF CONCLUDED TRANSACTIONS

- 7.1 The transfer of Undertaking under Clause 3 above, the continuance of the effectiveness of contracts and deeds under Clause 4 above and legal proceedings by or against the Transferee Company under Clause 5 above shall not affect any transaction or proceedings or contracts or deeds (including but not limited to declaration of dividend if any to the shareholders of the Transferor Company) already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

8. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 8.1 The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- 8.2 All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, Goods and Service Tax, input credits, refund, reliefs, etc., accruing or arising to the Transferor Company, or losses arising or expenditure incurred by the Transferor Company, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure of the said taxes of the Transferee Company.
- 8.3 The Transferor Company shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).
- 8.4 The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals,

exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.

- 8.5 The Transferor Company shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.
- 8.6 The Transferor Company shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Company and of the Transferee Company.
- 8.7 The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of its employees without the consent of the Board of Directors of the Transferee Company.

9. AUTHORISED SHARE CAPITAL

- 9.1 Upon the Scheme becoming fully effective, the authorised share capital of the Transferor Company shall stand combined with the authorised share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on the authorised share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for the increased authorised share capital.
- 9.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended under applicable provisions of the Act by deleting the existing Clause and replacing it by the following:
- “V. The Authorised Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crores only) divided into 3,00,00,000 (Three Crores) equity shares of ₹ 10/- (Rupee Ten only) and 2,00,00,000 (Two Crores) Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each with power to increase or reduce the capital and with liberty to divide the capital into several classes and to attach thereto respectively such preferential rights, privileges, or conditions in such manner as may be permitted under the Companies Act 2013 and as the company deems fit and necessary.”
- 9.3 Clause 3 of the Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended under applicable provisions of the Act by deleting the existing Clause and replacing it by the following:
- “3. The Authorized Share Capital of the Company shall be as provided in Clause V of the Memorandum of Association of the Company.”
- 9.4 The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 14, 61 & 62 and other applicable provisions of the Companies Act, 2013, and any other consents and approvals required in this regard.

10. ISSUE OF SHARES BY THE TRANSFEE COMPANY AND CANCELLATION OF EQUITY SHARES & PREFERENCE SHARES OF THE TRANSFEROR COMPANY /REORGANISATION OF CAPITAL

- 10.1 In consideration of the transfer and vesting of the assets and liabilities of the Transferor Company in the Transferee Company in terms of Clause 3 of this Scheme, the Transferee Company shall subject to the provisions of this Scheme and without any further act or deed, issue and allot 49 (Forty Nine) equity shares of ₹ 10/- each credited as fully paid of the Transferee Company for every 100 (One Hundred) equity shares of ₹ 2/- each held by the shareholders of the Transferor Company whose names are found in the Register of Members of the Transferor Company on a date after the Effective Date to be fixed by the Board of Directors of the Transferee Company (hereinafter called the Record Date). The above ratio in which the shares of the Transferee Company are to be allotted to the equity shareholders of the Transferor Company is herein referred to as the ‘Share Exchange Ratio’.
- 10.2 In case any members’ holdings in the Transferor Company are such that the member becomes entitled to a fraction of an equity share in the Transferee Company such fractional entitlements/ fractional shares, shall be ignored.
- 10.3 The Transferee Company shall if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities including but not limited to The Securities and Exchange Board of India, The Reserve Bank of India and BSE Limited for the issue, allotment and listing by the Transferee Company of the equity shares to the members of the Transferor Company.
- 10.4 The equity shares to be allotted as aforesaid by the Transferee Company in terms of the Scheme shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company and shall rank for dividend, voting and all

other rights pari passu with the existing equity shares of the Transferee Company. Joint shareholders shall not be treated as separate shareholders but shall be jointly eligible for allotment of shares of the Transferee Company.

- 10.5 The Equity shares of the Transferor Company held by the Transferee Company on the record date shall be cancelled and shall be deemed to have been cancelled without any further act or deed, and no shares of the Transferee Company are required to be issued in lieu thereof.
- 10.6 The Preference shareholders of the Transferor Company holding 1,50,00,000 Convertible Optional Redeemable Preference Shares of ₹ 10/- each shall be allotted the same number of preference shares of ₹ 10/- each fully paid-up in the Transferee Company on the following terms and conditions.
- The Preference Shares to be issued shall carry a fixed cumulative preference dividend of 10% (Ten percent) per annum on the capital for the time being paid-up thereon.
 - The Preference shares to be issued shall be redeemable at par at any time at the option of the company but not later than 19.10.2019.
 - The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).
 - The Preference shares shall remain unlisted and shall not be listed on the Stock Exchanges.
- 10.7 The Shareholders of the Transferor Company shall surrender to the Transferee Company their share certificates in the Transferor Company for the cancellation thereof and for fresh issue of shares by the Transferee Company in terms of this Scheme. In case of default in surrendering the share certificates as aforesaid, the share certificates in relation to the shares held by the shareholders of the Transferor Company shall be deemed to have been cancelled upon issue and allotment of new shares by the Transferee Company to them.

11. ACCOUNTING TREATMENT

- 11.1 Upon the Scheme becoming effective, the amalgamation of the Transferor Company with the Transferee Company would follow 'pooling of interest' method as prescribed in the Indian Accounting Standards -103 (Appendix C)- Accounting for business combinations under common control as per provisions of Section 133 of the Companies Act, 2013.
- 11.2 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.
- 11.3 The Transferee Company shall record the security premium, general reserves and the capital reserves, if any, of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date. The surplus balance in the Statement of Profit and Loss of the Transferor Company shall be similarly aggregated with the surplus balances in the statement of Profit and Loss of the Transferee Company.
- 11.4 The amount, if any, arising as an accounting differential for the Transferee Company on account of the difference between (a) the amount representing the surplus or deficit, if any, of assets over liabilities of the Transferor Company (as recorded in the books of accounts of the Transferee Company) and (b) the aggregate of the face value of equity shares issued and allotted by the Transferee Company in terms of this Scheme shall stand adjusted against the General Reserves or shown as goodwill as the case may be in the books of the Transferee Company. The resulting balance in the General Reserves shall be free for distribution as dividend and shall for all purposes constitute a part of the free reserves of the Transferee Company.
- 11.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.6 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

12. CONSEQUENTIAL MATTERS RELATING TO TAX

- 12.1 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the Revenue Authorities and including the right to claim credit for minimum alternate tax and

carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims and accumulated losses of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, Sales tax returns, Excise & Cenvat returns, service tax returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction between or amongst any Transferor Company and the Transferee Company.

Provided further that upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise, if it becomes necessary, its income tax returns and related TDS Certificates, including TDS Certificates relating to transactions between or amongst the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

- 12.2 In accordance with the Cenvat Credit Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties/service tax paid on inputs/capital goods/ input services lying to the credit of the Transferor Company shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/ service tax payable by it.
- 12.3 In accordance with the Tamil Nadu Value Added Tax Act, 2006, as are prevalent on the Effective Date, the unutilized credits, if any, relating to VAT paid on inputs/capital goods lying to the credit of the Transferor Company shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the credit of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the VAT/ CST payable by it.
- 12.4 In accordance with the Rules framed under the enactments relating to goods and services tax, as are prevalent on the Effective Date, the unutilized credits relating to goods and services tax lying to the credit of the Transferor Company shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the credit of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the Goods and Services Tax payable by it.

PART III - GENERAL TERMS AND CONDITIONS

13. APPLICATION TO TRIBUNAL

- 13.1 The Transferor Company and the Transferee Company shall, with reasonable despatch, apply to the Tribunal for necessary orders or directions for holding meetings of the members of the Transferor Company and the Transferee Company for sanctioning this Scheme of Amalgamation under Sections 230 to 232 of the Act or for dispensing the holding of such meetings and orders under Section 230(9) of the Act, for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

14. DISSOLUTION OF TRANSFEROR COMPANY

- 14.1 Subject to an order being made by the Tribunal under Sections 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

15. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 15.1 The Transferor Company and the Transferee Company through their respective Boards of Directors including Committees of Directors or other persons, duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Tribunal or any other Competent Authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Company without going through the process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.
- 15.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or

provision, as the case may be, shall cause this Scheme to become materially adverse to the Transferor Company and the Transferee Company, in which case the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such Part or provision.

16. DATE OF TAKING EFFECT

16.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Tribunal shall be effective from the Appointed Date but shall be operative from the Effective Date.

17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to -

17.1 The Scheme being agreed to by the respective requisite majorities of the members of the Transferor Company and the Transferee Company, if meetings of Equity Shareholders/ Preference Shareholders of the said companies are convened by the Tribunal or if dispensation from conducting the meeting of the equity shareholders/ preference shareholders is obtained from the Tribunal, and the sanction of the Tribunal being accorded to the Scheme.

17.2 The approval of the public shareholders of the Transferee Company in such a manner that the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it and the approval of the Scheme of Amalgamation by the shareholders of the Transferee Company through e-voting after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to the Scheme as prescribed by the Securities and Exchange Board of India Circular No. CFD/ DIL3/CIR/2017/21 dated 10th March 2017.

17.3 The sanction by the Tribunal under Sections 230 to 232 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company.

17.4 The filing with the Registrar of Companies, Coimbatore of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

18. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

18.1 In the event of the Scheme not being sanctioned by the Tribunal and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

19. EXPENSES CONNECTED WITH THE SCHEME

19.1 All costs, charges, levies, fees, duties and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.

SCHEDULE A

Schedule of immovable properties of the Transferor Company proposed to be transferred,
merged and vested with the Transferee Company

Indsil Energy and Electrochemicals Private Limited (Transferor Company)

Land under Lease Agreement with Chhattisgarh State Industrial Development Corporation Limited (CSIDC):

| S. No. | Doc Execution Date | Plot No. | Area (in acres) | Situated at |
|--------|--------------------|--|-----------------|--|
| 1. | 20.12.2002 | 114, 115, 116, 117, 118, 119, 120, 121 & 122 | 5.00 | Sector-C, Urla Industrial Area, Village Acholi, P.C. No.100, R.I. Circle-Dharsiva, Tehsil & District, Raipur, Chhattisgarh |
| 2. | 20.12.2002 | 123, 124, 125 & 128 | 1.00 | Sector-C, Urla Industrial Area, Village Acholi, P.C. No.100, R.I. Circle-Dharsiva, Tehsil & District, Raipur, Chhattisgarh |

Land owned by the company:

| S. No. | Doc Execution Date | Khasra No. | Area (in hectares) | Situated at |
|--------|--------------------|---|--------------------|---|
| 1. | 20.12.2002 | 198, 199/2, 199/1, 200/1 | 2.02 | Village Birgaon, P.C. No.101, R.I. Circle-Dharsiwa, Tahsil& District, Raipur, Chhattisgarh. |
| 2. | 14.11.2003 | 1/1 | 2.517 | Village Gondwara, P.C. No.108, R.I. Circle-Raipur-1, Tahsil& District, Raipur, Chhattisgarh. |
| 3. | 26.03.2004 | 194/1 | 1.077 | Village Birgaon, P.C. No.101, R.I. Circle-Dharsiwa, Tahsil& District, Raipur, Chhattisgarh. |
| 4. | 19.04.2004 | 195/1 & 196/2 | 0.395 | Village Birgaon, P.C. No.101, R.I. Circle-Dharsiwa-I, Tahsil& District, Raipur, Chhattisgarh. |
| 5. | 19.04.2004 | 197/1, 200/1 & 201/2 | 1.224 | Village Birgaon, P.C. No.101, R.I. Circle-Dharsiwa-I, Tahsil& District, Raipur, Chhattisgarh. |
| 6. | 05.05.2010 | 195/3, 196/2 & 196/1 | 1.28 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |
| 7. | 05.05.2010 | 191/2,192/2 & 193/1 | 0.65 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |
| 8. | 05.05.2010 | 191/4, 189/2, 192/4, 193/3, 191/1 & 192/1 | 1.51 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |
| 9. | 05.05.2010 | 195/2 & 197/2 | 1.27 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |
| 10. | 05.05.2010 | 191/3, 192/3, 193/2, 194/2 & 196/1 | 1.28 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |
| 11. | 05.05.2010 | 194/1 & 195/1 | 0.05 | Village Pathrra, Post Box No: 38 Jewara, Tahsil: Bemetara, District: Durg, Chhattisgarh. |

SCHEDULE B
POST-MERGER STATEMENT OF ASSETS AND LIABILITIES OF THE TRANSFEREE COMPANY
AS ON THE APPOINTED DATE

| PARTICULARS | Amount (in ₹) |
|---|-----------------------|
| LIABILITIES | |
| Non-current Liabilities | |
| Long-term borrowings | 25,13,13,459 |
| Deferred Tax Liabilities | 5,57,86,904 |
| Long term provisions | 12,64,01,190 |
| Current Liabilities | |
| Short Term borrowings | 78,81,37,164 |
| Trade Payables | 34,21,00,819 |
| Other Current liabilities | 18,25,53,660 |
| Short Term provisions | 2,19,52,037 |
| Total | 1,76,82,45,233 |
| PARTICULARS | Amount (in ₹) |
| ASSETS | |
| Non-current Assets | |
| Fixed Assets | |
| Tangible assets | 79,54,48,723 |
| Capital work in progress | 87,77,112 |
| Intangible assets under development | 41,15,486 |
| Non-current investments | |
| 100% stake in Sree Mahalakshmi Smelters Private Limited | 6,91,32,430 |
| 50% stake in Al Tamman Indsil Ferro Chrome LLC | 39,23,72,542 |
| 100% stake in Indsil Hydro Global (FZE) | 25,72,500 |
| 100% stake in Indsil Energy Global (FZE) | 25,72,500 |
| 400 equity shares of ₹ 100/- each in Vimla Infrastructure India Private Limited | 40,000 |
| 8,000 equity shares of ₹ 10/- each in Kurumpetty HPP Ltd. | 80,000 |
| 8,000 equity shares of ₹ 10/- each in Palakkayam HPP Ltd. | 80,000 |
| 8,000 equity shares of ₹ 10/- each in Upper Poringal HPP Ltd. | 80,000 |
| 8,000 equity shares of ₹ 10/- each in Vattapara HPP Ltd. | 80,000 |
| 1,57,500 equity shares of ₹ 10/- each in Malayalam Communications Ltd | 15,75,000 |
| Long-term loans and advances | 21,31,97,841 |
| Current Assets | |
| Current Investments (Investment in Mutual Fund) | 5,74,687 |
| Inventories | 1,24,72,96,651 |
| Trade receivables | 24,90,52,409 |
| Cash and Bank Balances | 6,77,16,063 |
| Short-term loans and advances | 47,72,72,964 |
| Other Current Assets | 4,30,29,862 |
| Total | 3,57,50,66,770 |

DOOGAR & ASSOCIATES

Chartered Accountants

To,
The Board of Directors
INDSIL HYDRO POWER AND
MANGANESE LIMITED
Indsil House,
Door No. 103-107,
RS Puram, Coimbatore
Tamil Nadu - 641002

To,
The Board of Directors
INDSIL ENERGY AND
ELECTROCHEMICALS PRIVATE LIMITED
Indsil House,
Door No. 103-107,
RS Puram, Coimbatore
Tamil Nadu - 641002

16th June, 2017

Dear Sir / Madam,

Sub:

Recommendation of Share Exchange Ratio for the amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company) in exchange of shares in Indsil Hydro Power and Manganese Limited

Dear Sir,

We refer to our engagement letter dated 29th May, 2017 between Doogar & Associates, Chartered Accountants, and Indsil Hydro Power and Manganese Limited, wherein Indsil Hydro Power and Manganese Limited ("Indsil Hydro"), and Indsil Energy and Electrochemicals Private Limited ("Indsil Energy") (together referred to as "the Companies") have requested Doogar & Associates, Chartered Accountants (hereinafter referred to as "D&A", or "we"), for recommendation of the Share Exchange Ratio.

Scope & Purpose of Valuation

We understand that the management of Indsil Hydro and Indsil Energy proposes to amalgamate Indsil Energy with Indsil Hydro in consideration of shares in Indsil Hydro pursuant to scheme of amalgamation between Indsil Hydro and Indsil Energy and their respective shareholders under section 230 to 232 of the Companies Act, 2013.

In this regards, we have been appointed to undertake the fair valuation of the Companies to determine the share Exchange Ratio for the proposed scheme.



The scope of our services is to conduct a relative valuation of the shares of the Companies and to recommend a Share Exchange Ratio in accordance with generally accepted valuation methodology.

This Report is subject to the scope limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

For the aforementioned purpose, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- ✓ Audited Financial Statement of Indsil Hydro, and Indsil Energy for the financial year 2016-17, 2015-16, and 2014-15;
- ✓ Projected Standalone financial statements of the Indsil Hydro and Indsil Energy from 1 April 2017 onwards, with key financial assumptions;
- ✓ Management Assumptions related to Risk and Growth Projections;
- ✓ We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the Company;
- ✓ Information (industry related as well as company specific) available on various public domains;
- ✓ Latest Shareholding pattern of the Companies;
- ✓ Draft Scheme of Amalgamation

For our analysis, we have relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.

SCOPE LIMITATIONS & DISCLAIMERS

- ✓ This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report; specific to the date of this Valuation report and based on the audited balance sheet of the companies as at 31 March 2017. The management has represented that the business activities of Indsil Hydro and Indsil Energy have been carried out in the normal and ordinary course and we have been given to understand that there has been investment in Transferor Company, suitable adjustments have been made while estimating the Fair Value, and recommendation of Swap.



- ✓ In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- ✓ The Enterprise Value/ Equity Value arrived at under DCF approach is based on the financial position as conveyed to us on zero date and any change in the same on the closing date would impact the cash flow and, hence, the valuation. Our conclusions are based on these assumptions and information given by/on behalf of the Companies. The respective management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the Valuation Report. However, nothing has come to our attention to indicate that the information provided was materially misstated / incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.
- ✓ During the course of work, we have relied upon the Financial Projections of Indsil Hydro and Indsil Energy, as provided to us by the management. The realizations of the projections are dependent on the continuing validity of the assumptions on which they are based. Since, the projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.
- ✓ Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness. There is, therefore, no undisputable single exchange ratio. While



we have provided our recommendation of the exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the exchange ratio.

- ✓ This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purposes and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without prior written consent of the Valuers. Neither this report nor its contents may be used for any other purpose other than in connection with this Proposed Amalgamation without prior written consent of the Valuers.
- ✓ Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable, neither ourselves, nor any of our partners, officers or employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We owe responsibility only to the Board of Directors of the Companies and nobody else. We are not Liable to any third party in relation to the issue of this report. In no event we shall be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the Companies, their management, directors, employees or agents.
- ✓ A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof, may affect this Report and the assumptions used in preparing it, and we have no obligation to update this Report.
- ✓ The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Our conclusion of value assumes that the assets & liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the date hereof.
- ✓ In addition, we express no opinion or recommendation as to how the shareholders or creditors of Companies should vote at their respective meeting(s) to be held in connection with the Proposed Amalgamation.
- ✓ The fee for this engagement is not contingent upon the results of this report.



- ✓ Any person / party intending to provide finance / deal in the shares / business of any of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures and therefore forms reliable basis for the valuation.
- ✓ In the course of valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

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BACKGROUND OF COMPANIES

Indsil Hydro Power and Manganese Limited

Indsil Hydro was incorporated on 30th day of August, 1990 under the then companies act of 1956, in the State of Tamil Nadu under the name and style 'Indsil Electrosmelts Limited' and obtained the certificate of commencement of business on 7th November, 1990. Subsequently, the name of the company was changed as 'Indsil Hydro Power and Manganese Limited' on 18th December 2008. The registered office of the Transferee Company is situated at Indsil House, Door No: 103-107, R S Puram, Coimbatore - 641002, Tamil Nadu, India. The equity shares of the Transferee Company are listed on BSE Limited ("BSE"). The Transferee Company is engaged in the business of manufacture of manganese alloys and hydro power generation.

The shareholding pattern of the company as on 15th June 2017 is as follows;

| Category | No. of Shares | Shareholding Percentage | in |
|-----------------------------|---------------|-------------------------|--------|
| Promoter and Promoter Group | 86,35,618 | | 54.36% |
| Public and Others | 72,47,832 | | 45.62% |
| Non-promoter Non-public | 3,342 | | 0.02% |
| Total | 1,58,86,792 | | 100% |

Source: Management Information

Financial Position of the Company for the financial year 2015-16, and 2016-17 is as follows;

(Amount, Rs. In Crores)

| Equity & Liabilities | 2015-16 | 2016-17 |
|--------------------------|---------|---------|
| Shareholder's Fund | 98.18 | 99.28 |
| Non-Current Liabilities | 29.99 | 30.70 |
| Current Liabilities | 38.95 | 38.70 |
| Total | 167.12 | 168.69 |
| Assets | | |
| Fixed Assets | 34.78 | 32.32 |
| Non-Current Investments | 21.87 | 21.87 |
| Other Non-Current assets | 16.63 | 16.04 |
| Current Assets | 93.85 | 98.45 |
| Total | 167.12 | 168.69 |

Source: Audited Balance Sheet



Indsil Energy and Electrochemicals Private Limited

Indsil Energy was incorporated on the 21st day of August, 1996 under the Companies Act, 1956, in the State of Tamil Nadu under the name and style of 'Indsil Energy Limited' and obtained the certificate of commencement of business on 27th September 1996. Subsequently, the name of the company was changed to 'Indsil Energy and Electrochemicals Private Limited' on 4th October 2002. Later, the company was converted into a private limited company with effect from 16th December 2014. The registered office of the Transferor Company is situated at "Indsil House" Door No.103-107, Thiruvengatasamy Road West, R S Puram Coimbatore - 641002, Tamil Nadu, India. The Transferor Company is engaged in the business of manufacture of manganese alloys and generation of electricity through thermal power plant.

The shareholding pattern of the company as on 15th June 2017 is as follows:

| Category | No. of Shares | Shareholding Percentage in |
|-----------------------------|---------------|----------------------------|
| Promoter and Promoter Group | 2,16,07,776 | 88.63% |
| Public and Others | 27,70,613 | 11.37% |
| Total | 2,43,78,389 | 100% |

Source: Management Information

Financial Position of the Company for the financial year 2015-16, and 2016-17 is as follows;

| Equity & Liabilities | 2015-16 | 2016-17 |
|--------------------------|---------|---------|
| Shareholder's Fund | 77.13 | 81.43 |
| Non-Current Liabilities | 13.81 | 12.65 |
| Current Liabilities | 85.77 | 94.77 |
| Total | 176.71 | 188.85 |
| Assets | | |
| Fixed Assets | 48.52 | 48.51 |
| Non-Current Investments | 25.07 | 25.02 |
| Other Non-Current assets | 4.81 | 5.28 |
| Current Assets | 98.31 | 110.04 |
| Total | 176.71 | 188.85 |

Source: Audited Balance Sheet



VALUATION APPROACH

Arriving at the fair share exchange ratio for the proposed amalgamation would require determining the relative values of each company. These values are to be determined independently but on relative basis, and without considering the effect of proposed amalgamation.

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation would depend on the purpose of valuation, nature of business, future prospects of the company & industry and other attendant circumstances.

Different methodologies are adopted for valuation of manufacturing, investment, property and trading companies. For instance, investment and property companies are valued based on the market value or fair value of their underlying assets while manufacturing companies are valued in relation to profits from business and relative value of assets.

There are three generally accepted approaches to valuation:

- COST APPROACH
- INCOME APPROACH
- MARKET APPROACH

COST APPROACH:

The "cost" approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

For valuation of Indsil Hydro and Indsil Energy, we have considered this method, as these entities have significant assets and liabilities in their balance sheet and thus for the valuation of the companies, we have assigned appropriate weight to this method. We have estimated the NAV of equity shares of the companies as per balance sheet as at 31 March 2017.

INCOME APPROACH

Discounted Cash Flow Method

The income approach is widely used for valuation under "Going Concern" basis. It focusses on the income generated by the company in the past as well as its future earning



capability. The Discounted Cash Flow ("DCF") Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

Estimating Future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

Appropriate discount rate to be applied to cash flows:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Enterprise Value

The Enterprise Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the borrowings, cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business. The free cash flows available in the explicit period and those in perpetuity are discounted by discounting factor based on WACC.

For valuation of Indsil Hydro and Indsil Energy, we have assigned appropriate weight to this method.



MARKET APPROACH

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Under CTM, value of the company is arrived on the basis of transactions related to sale/purchase/investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

In the absence of comparable companies / transactions of same size, we have not considered this method for the purpose of valuation.

Market Price Method

This method is applicable for companies whose shares are quoted in recognized stock exchange within India. The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

Under this method of valuation, we have calculated market price of the share as volume weighted average price for preceding 26 weeks from the date of the report.

Minimum Pricing Guidelines (as per ICDR)

In compliance with the SEBI circular dated 10th March, 2017 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations), issuance of shares pursuant to order under section 230 to 234 of the Companies Act, 2013 requires to follow pricing guidelines that apply to preferential issue, if any such issue is to be made to shareholders of an unlisted company.



The Relevant date for the purpose of computing pricing shall be the last working day immediately prior to the date of the board meeting.

In the present case, the trading volumes of the equity shares of Indsil Hydro were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 16th June, 2017 and accordingly equity shares of the Company was classified as frequently traded shares under preferential issue pricing guidelines, thus minimum pricing requirements of ICDR are applicable on amalgamation of Indsil Energy with Indsil Hydro.

In this case, the value of Indsil Hydro for the purpose of recommending exchange ratio shall be price not less than higher of the following:

- a) The average of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 26 weeks preceding the relevant date.
- b) The average of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 2 weeks preceding the relevant date.

The minimum pricing guidelines are applicable in case of Indsil Hydro, and accordingly value per share of Indsil Hydro has been estimated using the above pricing formulae. In our case, the value as estimated using the different valuation methodologies is less than the pricing formulae as prescribed under ICDR. Hence, the value as per ICDR is considered as relevant price.

CONCLUSION ON VALUATION APPROACH

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of Indsil Hydro and Indsil Energy. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose appropriate weight have been assigned to each methods.



The relative value per share and the share exchange ratio recommended is provided as follows;

(Value per Share in INR)

| Valuation Approach | Indsil Hydro | | Indsil Energy | |
|---|-----------------|--------|-----------------|--------|
| | Value per Share | Weight | Value per Share | Weight |
| Net Asset Value Method | 62.78 | 1 | 31.98 | 1 |
| Discounted Cash Flow Method | 77.98 | 2 | 40.95 | 2 |
| Market Price Method | 75.86 | 2 | NA | - |
| Fair Value per share | 74.09 | | 37.96 | |
| Value per Share as per ICDR (Min Price) | 77.94 | | NA | |
| Relative Price | 77.94 | | 37.96 | |
| Share Exchange Ratio (Rounded off) | | | 0.49 | |

BASIS OF AMALGAMATION

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we consider that the fair share exchange ratio for the amalgamation of Indsil Energy into Indsil Hydro is as follows.

In consideration of amalgamation of Indsil Energy with Indsil Hydro, the members of Indsil Energy shall receive

49 Equity Share(s) of Rs.10/- each fully paid-up of Indsil Hydro for every 100 Equity Share of Rs.2/- each fully paid-up of Indsil Energy.

This report to be read in its entirety.

Yours Faithfully,

For Doogar & Associates,
Chartered Accountants,
Firm Regn No. 000561N

Vardhman Doogar
Membership No. 517347

Partner

Mefcom Capital Markets Ltd.

5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110 019.
Phone: +91(11) 46500500 Fax: +91(11) 4650 0550
E-mail : info@mefcom.in Website: www.mefcom.in
CIN : L74899DL1985PLC019749

Ref: MCML/IEEPL-FO/17-18/3
Date: 16th June, 2017

To,
The Board of Directors
Indsil Energy and Electrochemicals Pvt. Limited
"Indsil House"
T.V.Samy Road (West)
R.S.Puram
Coimbatore 641 002

&

The Board of Directors
Indsil Hydro Power and Manganese Limited
"Indsil House"
T.V.Samy Road (West)
R.S.Puram
Coimbatore 641 002

Dear Sir/Madam,

Ref: Fairness Opinion Report on Valuation of Shares of Indsil Energy and Electrochemicals Pvt. Limited (IEEPL) and Indsil Hydro Power and Manganese Limited (IHPML) with regard to the proposed merger of the two companies.

1. BACKGROUND INFORMATION

This has reference to the request made by the Management of Indsil Energy and Electrochemicals Pvt. Limited (IEEPL) and Indsil Hydro Power and Manganese Limited (IHPML), seeking a Fairness Opinion on the share swap ratio recommended by M/s Doogar & Associates (hereinafter referred to as "the Independent Valuers") for the proposed merger of the two companies under Section 230 to 232 of the Companies Act of 2013.

Mefcom Capital Markets Limited, a SEBI Registered Merchant Banker ("MCML"), has been entrusted to give the Fairness Opinion in terms of Section 230 to 232 of the Companies Act 2013 on the valuation of the equity shares of the Companies by the management of IEEPL and IHPML for determining the share exchange ratio.

2. PURPOSE OF VALUATION

2.1 We have been informed that the Board of Directors of the companies' viz. IEEPL and IHPML have considered and/or are going to consider and approve a proposal to amalgamate Indsil Energy in consideration of issue and allotment of shares in Indsil Hydro pursuant to scheme of amalgamation between Indsil Hydro and Indsil Energy and their respective shareholders.





- 2.2 In this regard, M/s. Doogar & Associates (Chartered Accountants) was appointed to carry out an independent valuation with a view to recommend a share swap ratio for the event of amalgamation between Indsil Hydro and Indsil Energy.
- 2.3 The information contained in our report is confidential and is intended to be used solely for the purpose of obtaining requisite approvals as per the Listing Agreement with the Stock Exchanges.

3. SOURCES OF INFORMATION:

For the purposes of fairness opinion, we have relied upon the following sources of information:

- (a) Valuation Report dated June 16, 2017 issued by M/s Doogar & Associates (Chartered Accountants);
- (b) Valuation Workings of M/s Doogar & Associates (Chartered Accountants);
- (c) Financial Statements comprising of Balance Sheet, Profit & Loss Statement and Cash Flow Statement for financial years ended 2015 to 2017 as well as Projected Financial Statements of the Indsil Hydro and Indsil Energy from 1 April 2017 onwards, with key financial assumptions;
- (d) Other such information and explanations as were required and which have been provided by the Chartered Accountants.

4. EXCLUSIONS AND LIMITATIONS

- 4.1 For the purpose of our fairness opinion, we have essentially relied on the information provided to us by the Management of IEEPL and IHPML and Valuation report dated June 16, 2017 provided by the Valuer and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.
- 4.2 The scope of work has been limited and does not enable us to accept responsibility for the following:
- Accuracy and completeness of the information provided by the Independent Valuer.
 - Accuracy of any financial or analytical information used by the Independent Valuer during the course of work.
 - Any changes in the information used for any reason, which may occur subsequent to the date of our certificate.
- 4.3 This Fairness Opinion is prepared for the limited purpose and scope as identified and stated earlier and to comply with SEBI (LODR). The information mentioned herein is confidential and must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to persons to whom it is issued and to those persons who are involved in this





transaction or for the purposes of obtaining approvals for the proposed amalgamation.

- 4.4 Our Opinion is not, nor should it be construed as our opining or certifying that the proposed amalgamation of IEEPL and IHPML is in compliance with the provisions of any law or regulation.
- 4.5 Valuation is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of judgment. There can therefore be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness.

5. APPROACHES TO VALUATION

For the purpose of ascertaining the reasonableness of these valuations, various quantitative factors have been considered based on the financial details of the respective Companies. We use to adopt various methodologies such as Net Assets Value Method, Price to Book Value Multiple Method (P/BV Multiple) Price Earning Capacity Value Method (PECV) and Earnings per Share (EPS).

In calculation of per share value for IEEPL and IHPML the following methods have been adopted:-

- (a) the "Net Asset Value method"
- (b) the "Market Price method"; and
- (c) the "Discounted Cash Flow Method"

CONCLUSION:

As per our understanding and on the basis of valuation done by the independent Valuer, we hereby opine that the share swap ratio for the proposed Amalgamation of the two companies i.e IEEPL and IHPML is fair and reasonable, as recommended by M/s Doogar & Associates (Chartered Accountants), which is as under:

Forty nine (49) Equity Shares of Rs.10/- each in IHPML as fully paid up for every 100 Equity Share of Rs.2/- each fully paid-up held by the said members of IEEPL in the capital of the company.

The share swap ratio is being arrived in compliance with the SEBI circular dated 10th March, 2017 and SEBI (ICDR) Regulations, 2009.

6. LIMITATION OF LIABILITY

In no event shall we be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or willful default on the part of the Companies under consideration, their Directors, employees or agents.





Our Opinion is not and does not purport to be an appraisal or otherwise reflective of the prices at which any business or securities actually could be ideally bought or sold by any party and are not indicative of actual values or actual future results that might be achieved, which value may be higher or lower than those indicative.

In no circumstances shall the liability of MCML, its Directors or employees, relating to services provided in connection with the engagement set out in this report (or valuation or addition thereto) exceed the amount paid to us in respect of the fees charged for these services.


We will receive a fee for our services in connection with the delivery of this Opinion from IHPML. In addition management of both the companies have agreed to indemnify us for certain potential liabilities arising out of our engagement.

Disclaimer Clause

We, hereby, declare that we have no direct or indirect interest in the Companies/ assets valued.

Yours' faithfully,

For Mefcom Capital Markets Ltd.


(Anand Srivastava)
Executive Director

PRE-SCHEME SHAREHOLDING PATTERN OF INDSIL HYDRO POWER AND MANGANESE LIMITED (TRANSFEEE COMPANY)

The pre-scheme shareholding pattern of Indsil Hydro Power and Manganese Limited (Transferee Company) as on 30th September 2017 is given below:-

| S. No. | Category of Shareholders | No. of Shareholders | Total Number of Shares held | Percentage of Shares held |
|-----------|--|---------------------|-----------------------------|---------------------------|
| A. | Promoter & Promoter Group | | | |
| 1. | Indian | | | |
| i. | Individuals/ Hindu Undivided Family | 25 | 31,03,033 | 19.53 |
| ii. | Central Government/ State Government(s) | - | - | - |
| iii. | Financial Institutions/ Banks | - | - | - |
| iv. | <i>Any Other</i> | | | |
| a. | Bodies Corporate | 2 | 55,32,585 | 34.83 |
| | Sub-total (A)(1) | 27 | 86,35,618 | 54.36 |
| 2. | Foreign | - | - | - |
| | Sub-total (A)(2) | - | - | - |
| | Total Shareholding of Promoter & Promoter Group (A) | 27 | 86,35,618 | 54.36 |
| B. | Public | | | |
| 1. | <i>Institutions</i> | | | |
| i. | Mutual Funds | 2 | 3,000 | 0.02 |
| ii. | Venture Capital Funds | - | - | - |
| iii. | Alternate Investment Funds | - | - | - |
| iv. | Foreign Venture Capital Investors | - | - | - |
| v. | Foreign Portfolio Investors | 1 | 75,000 | 0.47 |
| vi. | Financial Institutions/ Banks | - | - | - |
| vii. | Insurance Companies | - | - | - |
| viii. | Provident Funds/ Pension Funds | - | - | - |
| ix. | <i>Any Other</i> | | | |
| | Sub-Total (B)(1) | 3 | 78,000 | 0.49 |
| 2. | <i>Central Government/ State Government(s)/ President of India</i> | 1 | 10,54,166 | 6.64 |
| | Sub-Total (B)(2) | 1 | 10,54,166 | 6.64 |
| 3. | <i>Non-institutions</i> | | | |
| i. | Individuals | | | |
| a. | Individual shareholders holding nominal share capital up to ₹ 2 lakhs | 6,256 | 29,99,594 | 18.88 |
| b. | Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 28 | 18,48,533 | 11.64 |
| ii. | NBFCs registered with RBI | - | - | - |
| iii. | Employee Trusts | - | - | - |
| iv. | Overseas Depositories (holding DRs) | - | - | - |
| v. | <i>Any Other</i> | | | |
| a. | Director or Directors' Relatives | 1 | 1,800 | 0.01 |
| b. | Non-Resident Indian (Non repat) | 25 | 33,333 | 0.21 |
| c. | Non-Resident Indian (Repat) | 196 | 1,95,418 | 1.23 |
| d. | Bodies Corporate | 105 | 6,42,948 | 4.05 |
| e. | Clearing Members | 83 | 1,97,465 | 1.24 |
| f. | Hindu Undivided Family | 164 | 1,96,575 | 1.24 |
| | Sub-Total (B)(3) | 6,858 | 61,15,666 | 38.50 |
| | Total Public Shareholding (B) | 6,862 | 72,47,832 | 45.62 |
| C. | Non-Promoter Non-Public | | | |
| a. | Custodian/DR Holder | - | - | - |
| b. | Employee Benefit Trust | 1 | 3,342 | 0.02 |
| | Total Non-Promoter Non-Public (C) | 1 | 3,342 | 0.02 |
| | TOTAL (A) + (B) + (C) | 6,890 | 1,58,86,792 | 100.00 |

PRE-SCHEME SHAREHOLDING PATTERN OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED (TRANSFEROR COMPANY)

Upon the Scheme of Amalgamation becoming fully effective, the entire paid-up share capital of M/s.Indsil Energy and Electrochemicals Private Limited (Transferor Company) shall stand cancelled and the shareholders of M/s.Indsil Energy and Electrochemicals Private Limited will be allotted shares in M/s. Indsil Hydro Power and Manganese Limited in accordance with the Share Exchange Ratio as mentioned in the Scheme of Amalgamation.

Further, the entire preference share capital of M/s.Indsil Energy and Electrochemicals Private Limited (Transferor Company) of ₹ 15,00,00,000/- constituting 1,50,00,000 Convertible Optional Redeemable Preference Shares ₹ 10/- each shall also stand cancelled upon issue of such number of preference shares by M/s. Indsil Hydro Power and Manganese Limited in accordance with in the Scheme of Amalgamation.

The pre-scheme shareholding pattern of Indsil Energy and Electrochemicals Private Limited (Transferor Company) as on 30th September 2017 is given below:-

| S. No. | Category of Shareholders | No. of Shareholders | Total Number of Shares held | Percentage of Shares held |
|-----------|--|---------------------|-----------------------------|---------------------------|
| A. | Promoter & Promoter Group | | | |
| 1. | Indian | | | |
| i. | Individuals/ Hindu Undivided Family | 12 | 8,63,621 | 3.54 |
| ii. | Central Government/ State Government(s) | - | - | - |
| iii. | Financial Institutions/ Banks | - | - | - |
| iv. | Any Other | - | - | - |
| a. | Bodies Corporate | 3 | 2,07,44,155 | 85.09 |
| | Sub-total (A)(1) | 15 | 2,16,07,776 | 88.63 |
| 2. | Foreign | - | - | - |
| | Sub-total (A)(2) | - | - | - |
| | Total Shareholding of Promoter & Promoter Group (A) | 15 | 2,16,07,776 | 88.63 |
| B. | Public | | | |
| 1. | Institutions | | | |
| i. | Mutual Funds | - | - | - |
| ii. | Venture Capital Funds | - | - | - |
| iii. | Alternate Investment Funds | - | - | - |
| iv. | Foreign Venture Capital Investors | - | - | - |
| v. | Foreign Portfolio Investors | - | - | - |
| vi. | Financial Institutions/ Banks | - | - | - |
| vii. | Insurance Companies | - | - | - |
| viii. | Provident Funds/ Pension Funds | - | - | - |
| ix. | Any Other | - | - | - |
| | Sub-Total (B)(1) | - | - | - |
| 2. | Central Government/ State Government(s)/ President of India | - | - | - |
| | Sub-Total (B)(2) | - | - | - |
| 3. | Non-institutions | | | |
| i. | Individuals | | | |
| a. | Individual shareholders holding nominal share capital up to ₹ 2 lakhs | 15 | 7,11,390 | 2.92 |
| b. | Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 3 | 4,87,832 | 2.00 |
| ii. | NBFCs registered with RBI | - | - | - |
| iii. | Employee Trusts | - | - | - |
| iv. | Overseas Depositories (holding DRs) | - | - | - |
| v. | Any Other | - | - | - |
| a. | Bodies Corporate | 2 | 15,71,391 | 6.45 |
| | Sub-Total (B)(3) | 20 | 27,70,613 | 11.37 |
| | Total Public Shareholding (B) | 20 | 27,70,613 | 11.37 |
| C. | Non-Promoter Non-Public | | | |
| a. | Custodian/DR Holder | - | - | - |
| b. | Employee Benefit Trust | - | - | - |
| | Total Non-Promoter Non-Public (C) | - | - | - |
| | TOTAL (A) + (B) + (C) | 35 | 2,43,78,389 | 100.00 |

Post Amalgamation the entire shareholding of M/s.Indsil Energy and Electrochemicals Private Limited shall be NIL and the Transferor Company shall stand dissolved.

POST-SCHEME SHAREHOLDING PATTERN OF INDSIL HYDRO POWER AND MANGANESE LIMITED (TRANSFEREE COMPANY)

The post-scheme (expected) shareholding pattern of Indsil Hydro Power and Manganese Limited (Transferee Company) as on 30th September 2017 is given below:-

| S. No. | Category of Shareholders | No. of Shareholders | Total Number of Shares held | Percentage of Shares held |
|-----------|--|---------------------|-----------------------------|---------------------------|
| A. | Promoter & Promoter Group | | | |
| 1. | Indian | | | |
| i. | Individuals/ Hindu Undivided Family | 25 | 35,26,200 | 12.70 |
| ii. | Central Government/ State Government(s) | - | - | - |
| iii. | Financial Institutions/ Banks | - | - | - |
| iv. | <i>Any Other</i> | | | |
| a. | Bodies Corporate | 3 | 1,56,34,745 | 56.30 |
| | Sub-total (A)(1) | 28 | 1,91,60,945 | 69.00 |
| 2. | Foreign | - | - | - |
| | Sub-total (A)(2) | - | - | - |
| | Total Shareholding of Promoter & Promoter Group (A) | 28 | 1,91,60,945 | 69.00 |
| B. | Public | | | |
| 1. | <i>Institutions</i> | | | |
| i. | Mutual Funds | 2 | 3,000 | 0.01 |
| ii. | Venture Capital Funds | - | - | - |
| iii. | Alternate Investment Funds | - | - | - |
| iv. | Foreign Venture Capital Investors | - | - | - |
| v. | Foreign Portfolio Investors | 1 | 75,000 | 0.27- |
| vi. | Financial Institutions/ Banks | - | - | - |
| vii. | Insurance Companies | - | - | - |
| viii. | Provident Funds/ Pension Funds | - | - | - |
| ix. | <i>Any Other</i> | | | |
| | Sub-Total (B)(1) | 3 | 78,000 | 0.28 |
| 2. | <i>Central Government/ State Government(s)/ President of India</i> | 1 | 10,54,166 | 3.80 |
| | Sub-Total (B)(2) | 1 | 10,54,166 | 3.80 |
| 3. | <i>Non-institutions</i> | | | |
| i. | Individuals | | | |
| a. | Individual shareholders holding nominal share capital up to ₹ 2 lakhs | 6,263 | 30,89,030 | 11.12 |
| b. | Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 39 | 23,46,711 | 8.45 |
| ii. | NBFCs registered with RBI | - | - | - |
| iii. | Employee Trusts | - | - | - |
| iv. | Overseas Depositories (holding DRs) | - | - | - |
| v. | <i>Any Other</i> | | | |
| a. | Director or Directors' Relatives | 1 | 1,800 | 0.01 |
| b. | Non-Resident Indian (Non repat) | 25 | 33,333 | 0.12 |
| c. | Non-Resident Indian (Repat) | 196 | 1,95,418 | 0.70 |
| d. | Bodies Corporate | 107 | 14,12,929 | 5.09 |
| e. | Clearing Members | 83 | 1,97,465 | 0.71 |
| f. | Hindu Undivided Family | 164 | 1,96,575 | 0.71 |
| | Sub-Total (B)(3) | 6,878 | 74,73,261 | 26.91 |
| | Total Public Shareholding (B) | 6,882 | 86,05,427 | 30.99 |
| C. | Non-Promoter Non-Public | | | |
| a. | Custodian/DR Holder | - | - | - |
| b. | Employee Benefit Trust | 1 | 3,342 | 0.01 |
| | Total Non-Promoter Non-Public (C) | 1 | 3,342 | 0.01 |
| | TOTAL (A) + (B) + (C) | 6,911 | 2,77,69,714 | 100.00 |



INDSIL HYDRO POWER AND MANGANESE LIMITED

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 e-mail : indsilho@indsil.com
 website : www.indsil.com
 CIN : L27101TZ1990PLC002849

1st August 2017

To
 The Manager
 BSE Limited
 25th Floor, Phiroze Jeejeebhoy Towers,
 Dalal Street,
 Mumbai – 400 001

Dear Sir,

SUB: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 26th June 2017 for the proposed Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company)

Ref: Scrip Code – BSE: INDSILHYD (522165)

This is in continuation of our above said application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017.

In this regard, we wish to confirm that we have not received any complaint on the draft Scheme of Amalgamation directly either at our Registered Office or through e-mail. We further confirm that we have not been forwarded any complaint on the draft Scheme of Amalgamation by BSE Limited or the Securities and Exchange Board of India.

Further, as per the requirements of the said SEBI Circular, we are submitting herewith the Complaint Report indicating 'NIL' complaints received on the draft Scheme of Amalgamation.

We further wish to inform that we have uploaded the same on our website viz. www.indsil.com.

We request you to kindly take note of the same.

Thanking you

Yours faithfully

For **INDSIL HYDRO POWER AND MANGANESE LIMITED**

S MAHADEVAN
COMPANY SECRETARY

Plant No. VI - 679, Pallatheri, Elapully, Palakkad, Kerala - 678 007.
 Phone : (+91/0) (491) 2583501, 502, 503 Fax : (+91/0) (491) 25831267
 e-mail : works@indsil.com



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website : www.indsil.com
CIN : L27101TZ1990PLC002849

REPORT ON COMPLAINTS

Part A

| S. No. | Particulars | Number |
|--------|--|--------|
| 1 | Number of complaints received directly | Nil |
| 2 | Number of complaints forwarded by Stock Exchanges / SEBI | Nil |
| 3 | Total Number of complaints/comments received (1+2) | Nil |
| 4 | Number of complaints resolved | NA |
| 5 | Number of complaints pending | NA |

Part B

| S. No. | Name of Complainant | Date of Complaint | Status (Resolved/pending) |
|--------|---------------------|-------------------|---------------------------|
| 1 | NOT APPLICABLE | | |
| 2 | | | |
| 3 | | | |

Date: 1st August 2017

Place: Coimbatore

For INDSIL HYDRO POWER AND MANGANESE LIMITED


S. Mahadevan
Company Secretary



August 22, 2017

DCS/AMAL/SD/R37/899/2017-18

The Company Secretary
INDSIL HYDRO POWER AND MANGANESE LTD.
 Indsil House, Door no 103-107,
 Tiruvenkataswamy Road (WEST),
 R S Puram, Coimbatore,
 Tamil Nadu- 641002.

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of Indsil Energy and Electrochemicals Private Ltd with Indsil Hydro Power and Manganese Ltd.

We are in receipt of Draft Scheme of Arrangement between Indsil Energy and Electrochemicals Private Ltd (IEEPL) with Indsil Hydro Power and Manganese Ltd and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. SEBI vide its letter dated August 14, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- Company shall ensure that applicable information pertaining to unlisted entity IEEPL is included in the format specified for abridged prospectus as specified in the circular.
- "Company shall duly comply with various provisions of the Circulars."
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Registered Office: Floor 25, P J Towers, Dada Bhai Street, Mumbai 400 002 India
 T: +91 22 2272 1234/53 E: corp.com@bseindia.com www.bseindia.com
 Corporate Identity Number: L67120AN2005PL155288

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular;
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

SD


Nitin Pujari
Sr. Manager



INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LTD

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 e-mail : indsilho@indsil.com
 website : www.indsil.com
 CIN : U04010TZ1996PTC007421

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED AT THEIR MEETING HELD ON 21ST DECEMBER 2017 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED WITH INDSIL HYDRO POWER AND MANGANESE LIMITED ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The proposed Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited ("Transferor Company") with Indsil Hydro Power and Manganese Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 was approved by the Board of Directors of the company vide resolutions dated 29th May 2017 and 16th June 2017.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors explaining the effect of the Scheme of Amalgamation on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties must be circulated to the shareholders and class of creditors along with the Notice convening the meeting of the shareholders and class of creditors of the company.

The following documents were placed before the Board of Directors for their consideration

- a. Draft Scheme of Amalgamation
- b. Valuation Report dated 16th June 2017 obtained from M/s.Doogar & Associates, Chartered Accountants, New Delhi
- c. Fairness Opinion on the said valuation dated 15th June 2017 obtained from M/s.Mefcom Capital Markets Limited, SEBI Registered Category I Merchant Banker.

Accordingly, after detailed discussion, the Board of Directors of the company at their meeting held on 21st December, 2017 took on record the following impact of the Scheme on the Equity Shareholders, Preference Shareholders, Key Managerial Personnel, Promoters and Non-promoter shareholders of the company.

- i. The Scheme of Amalgamation is being undertaken in view of the following benefits:
 - a. Enable consolidation of the business of both companies into one entity which will facilitate economies of scale, focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
 - b. Bring in a thermal power base which would effectively diversify the transferee's risk in terms of dependence on monsoons for its power plant.



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- c. Consolidation of a 50% stake in Al-Tamman Indsil Ferro Chrome LLC, a Ferrochrome manufacturing company located in the Sultanate of Oman and consolidation of other subsidiary companies.
 - d. Result in a diversified power generation base and also regional diversification across Chattisgarh, Andhra Pradesh, Kerala and the Sultanate of Oman including diversification of products like Ferro Chrome, Low Carbon Silico Manganese and regular Silico Manganese.
 - e. Pooling of resources (including manpower, management, administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimization of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
 - f. Strengthening financial position and increased leverage capacity of the merged entity.
 - g. Create long term value to the shareholders by unlocking value since the business and profits will accrue to a single entity.
- ii. For the purposes of the Scheme, Valuation Report was obtained from M/s.Dooaar & Associates, Chartered Accountants, New Delhi, vide their report dated 16th June 2017, wherein the share exchange ratio was recommended as consideration for the Amalgamation of the Transferor Company with the Transferee Company.
 - iii. The Valuation Report dated 16th June 2017 issued by M/s.Dooaar & Associates, Chartered Accountants, New Delhi, recommending the Share Exchange Ratio for issuance of equity shares by the Transferee Company to the shareholders of the Transferor Company did not mention any special difficulties faced in the valuation.
 - iv. Further, a Fairness Opinion on the said valuation was obtained from M/s.Mefcom Capital Markets Limited, Merchant Bankers vide their report dated 16th June 2017
 - v. In terms of Clause 10 of Part II of the Scheme of Amalgamation, upon the Scheme becoming effective, the Transferee Company shall issue and allot
 - a. to the equity shareholders of the Transferor Company, 49 (Forty-Nine) fully paid equity shares of Rs.10/- each in the Transferee Company for every 100



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(One Hundred) fully paid equity shares of Rs.2/- each held in the Transferor Company.

- b. to the preference shareholders of the Transferor Company, 1 (One) 10% Cumulative Redeemable Preference Shares of Rs.10/- each for every 1 (One) Convertible Optionally Redeemable Preference Share of Rs.10/- each held in the Transferor Company.

Further, the shares so issued in the Transferee Company to the shareholders of the Transferor Company will be listed for trading on the Stock Exchanges where the shares of the Transferee Company are listed.

- vi. Upon the Scheme becoming effective, the equity shareholders, preference shareholders, Key Managerial Personnel, promoter and non-promoter shareholders of the Transferor Company shall be entitled to receive such number of shares in the Transferee Company as specified in Clause 10 of Part II of the Scheme.
- vii. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without following the procedure of winding up as prescribed in the Companies Act, 2013 and Insolvency and Bankruptcy Code, 2016 as may be applicable.
- viii. Upon the Scheme becoming effective, the Key Managerial Personnel of the Transferor Company shall become the Key Managerial Personnel/ employee of the Transferee Company on the same terms.
- ix. Upon the Scheme becoming effective, the directors of the Transferor Company shall cease to hold office as directors of the Transferor Company.
- x. Save as otherwise specified above, none of the directors or Key Managerial Personnel or their relatives, except to their extent of shareholding and directorship in the said companies, is concerned or interested financially or otherwise in the Scheme.



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Taking into consideration the effects of the Scheme as mentioned above, the Board of Directors noted that there will be no adverse effect of the said Scheme on the Equity Shareholders, Preference Shareholders, Key Managerial Personnel, Promoter and Non-promoter shareholders of the Transferor Company.

For Indsil Energy and Electrochemicals Private Limited

Place: Coimbatore

Date: 21st December 2017

Sd/-

VINOD NARSIMAN

Director

DIN: 00035746



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 CIN : L27101TZ1980PLC002849

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDSIL HYDRO POWER AND MANGANESE LIMITED AT THEIR MEETING HELD ON 21ST DECEMBER 2017 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED WITH INDSIL HYDRO POWER AND MANGANESE LIMITED ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The proposed Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited ("Transferor Company") with Indsil Hydro Power and Manganese Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 was approved by the Board of Directors of the company vide resolutions dated 29th May 2017 and 16th June 2017.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors explaining the effect of the Scheme of Amalgamation on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties must be circulated to the shareholders and class of creditors along with the Notice convening the meeting of the shareholders and class of creditors of the company.

The following documents were placed before the Board of Directors for their consideration

- a. Draft Scheme of Amalgamation
- b. Valuation Report dated 16th June 2017 obtained from M/s.Doogar & Associates, Chartered Accountants, New Delhi
- c. Fairness Opinion on the said valuation dated 16th June 2017 obtained from M/s.Mefcom Capital Markets Limited, SEBI Registered Category I Merchant Banker.
- d. Report of the Audit Committee of the Board of Directors dated 16th June 2017

Accordingly, after detailed discussion, the Board of Directors of the company at their meeting held on 21st December, 2017 took on record the following impact of the Scheme on the Equity Shareholders, Preference Shareholders, Key Managerial Personnel, Promoters and Non-promoter shareholders of the company.



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website : www.indsil.com
CIN : L27101TZ1990PLC002849

- i. The Scheme of Amalgamation is being undertaken in view of the following benefits:
 - a. Enable consolidation of the business of both companies into one entity which will facilitate economies of scale, focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
 - b. Bring in a thermal power base which would effectively diversify the transferee's risk in terms of dependence on monsoons for its power plant.
 - c. Consolidation of a 50% stake in Al-Tamman Indsil Ferro Chrome LLC, a Ferrochrome manufacturing company located in the Sultanate of Oman and consolidation of other subsidiary companies.
 - d. Result in a diversified power generation base and also regional diversification across Chattisgarh, Andhra Pradesh, Kerala and the Sultanate of Oman including diversification of products like Ferro Chrome, Low Carbon Silico Manganese and regular Silico Manganese.
 - e. Pooling of resources (including manpower, management, administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimization of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
 - f. Strengthening financial position and increased leverage capacity of the merged entity.
 - g. Create long term value to the shareholders by unlocking value since the business and profits will accrue to a single entity.
- ii. For the purposes of the Scheme, Valuation Report was obtained from M/s.Doogar & Associates, Chartered Accountants, New Delhi, vide their report dated 16th June 2017, wherein the share exchange ratio was recommended as consideration for the amalgamation of the Transferor Company with the Transferee Company.
- iii. The Valuation Report dated 16th June 2017 issued by M/s.Doogar & Associates, Chartered Accountants, New Delhi, recommending the Share Exchange Ratio for issuance of equity shares by the Transferee Company to the shareholders of the Transferor Company did not mention any special difficulties faced in the valuation.
- iv. Further, a Fairness Opinion on the said valuation was obtained from M/s.Mefcom Capital Markets Limited, Merchant Bankers vide their report dated 16th June 2017.

Plant No. VI - 679, Pailathen, Elapully, Palakkad, Kerala - 678 007.
Phone : (+91/0) (491) 2583501, 502, 503 Fax : (+91/0) (491) 25831267
e-mail : works@indsil.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

- v. In terms of Clause 10 of Part II of the Scheme of Amalgamation, upon the Scheme becoming effective, the Transferee Company shall issue and allot
- to the equity shareholders of the Transferor Company, 49 (Forty-Nine) fully paid equity shares of Rs.10/- each in the Transferee Company for every 100 (One Hundred) fully paid equity shares of Rs.2/- each held in the Transferor Company.
 - to the preference shareholders of the Transferor Company, 1 (One) 10% Cumulative Redeemable Preference Shares of Rs.10/- each for every 1 (One) Convertible Optionally Redeemable Preference Share of Rs.10/- each held in the Transferor Company.

Further, the shares so issued in the Transferee Company to the shareholders of the Transferor Company will be listed for trading on the Stock Exchanges where the shares of the Transferee Company are listed.

- vi. Upon the Scheme becoming effective, the equity shareholders, preference shareholders, Key Managerial Personnel, promoter and non-promoter shareholders of the Transferor Company shall be entitled to receive such number of shares in the Transferee Company as specified in Clause 10 of Part II of the Scheme.
- vii. Upon the allotment of equity shares in the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Share Exchange Ratio as specified in the Scheme of Amalgamation, the shareholding pattern (Equity Shares) of the Transferee Company (as on 31st March 2017) shall be as given hereunder.

| S. No. | Category | Pre-amalgamation | | Post amalgamation | |
|--------|--|--------------------|-------------------|--------------------|-------------------|
| | | No. of Shares held | % of shareholding | No. of Shares held | % of shareholding |
| 1. | Promoter & Promoter Group | 86,35,618 | 54.36 | 1,91,60,945 | 69.00 |
| 2. | Public | 72,47,832 | 45.62 | 86,05,427 | 30.99 |
| 3. | Non-promoter Non-public Employee Benefit Trust | 3,342 | 0.02 | 3,342 | 0.01 |
| | Total | 1,58,86,792 | 100.00 | 2,77,69,714 | 100.00 |

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CIN : L27101TZ1990PLC002849

- viii. Upon the allotment of preference shares in the Transferee Company to the preference shareholders of the Transferor Company pursuant to the Share Exchange Ratio as specified in the Scheme of Amalgamation, all the preference shareholders of the Transferor Company shall become the preference shareholders of the Transferee Company.
- ix. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without following the procedure of winding up as prescribed in the Companies Act, 2013 and Insolvency and Bankruptcy Code, 2016 as may be applicable.
- x. Upon the Scheme becoming effective, no change is expected to take place in the Key Managerial Personnel of the Transferee Company.
- xi. Save as otherwise specified above, none of the directors or Key Managerial Personnel or their relatives, except to their extent of shareholding and directorship in the said companies, is concerned or interested financially or otherwise in the Scheme.

Taking into consideration the effects of the Scheme as mentioned above, the Board of Directors noted that there will be no adverse effect of the said Scheme on the Equity Shareholders, Key Managerial Personnel, Promoter and Non-promoter shareholders of the Transferee Company.

For Indsil Hydro Power and Manganese Limited

Place: Coimbatore

Date: 21st December, 2017

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

INDSIL HYDRO POWER AND MANGANESE LIMITED
Annexure - 9
BALANCE SHEET AS AT 30TH SEPTEMBER 2017

Amount in ₹

| PARTICULARS | Note No. | As at 30.09.2017 | As at 31.03.2017 |
|---|----------|------------------------------|------------------------------|
| I. ASSETS | | | |
| 1. Non Current Assets | | | |
| a) Property, Plant and Equipment | 2.01 | 30,60,60,610 | 32,27,62,991 |
| b) Capital Work-in-progress | | 30,19,499 | - |
| c) Investment Property | | - | - |
| e) Other Intangible Assets | | - | - |
| f) Intangible Assets under Development | | 2,41,700 | 4,83,070 |
| g) Biological Assets other than Bearer Plants | | - | - |
| h) Financial Assets | | | |
| i) Investments | 2.02 | 21,86,80,590 | 21,86,80,590 |
| ii) Trade Receivables | | - | - |
| iii) Loans | 2.03 | 19,51,48,567 | 16,04,15,490 |
| iv) Others | | - | - |
| i) Deferred Tax Assets (Net) | | - | - |
| j) Other Non Current Assets | | - | - |
| | | <u>72,31,50,965</u> | <u>70,23,42,141</u> |
| 2. Current Assets | | | |
| a) Inventories | 2.04 | 31,12,15,937 | 28,30,61,419 |
| b) Financial Assets | | | |
| i) Investments | 2.05 | 1,48,81,391 | 5,74,687 |
| ii) Trade Receivables | 2.06 | 34,28,08,931 | 23,35,40,913 |
| iii) Cash and Cash Equivalents | 2.07 | 4,36,16,965 | 4,31,84,095 |
| iv) Bank Balances other than (iii) above | | - | - |
| v) Loans | 2.08 | 39,80,04,613 | 41,73,05,620 |
| vi) Others | | - | - |
| c) Current Tax Assets (Net) | | - | - |
| d) Other Current Assets | 2.09 | 98,08,604 | 68,51,714 |
| TOTAL ASSETS | | <u>1,84,34,87,406</u> | <u>1,68,68,60,590</u> |
| II. EQUITY AND LIABILITIES | | | |
| 1. Equity | | | |
| a) Equity Share Capital | 2.10 | 15,88,67,920 | 15,88,67,920 |
| b) Other Equity | 2.11 | 88,44,77,560 | 83,39,52,989 |
| | | <u>1,04,33,45,480</u> | <u>99,28,20,909</u> |
| 2. Non Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 2.12 | 13,10,83,333 | 16,62,50,000 |
| ii) Trade Payables | | - | - |
| iii) Others | | - | - |
| b) Provisions | 2.13 | 12,57,51,422 | 12,42,24,084 |
| c) Deferred Tax Liabilities (Net) | 2.14 | 1,57,87,827 | 1,65,51,119 |
| d) Other Non Current Liabilities | | - | - |
| | | <u>27,26,22,582</u> | <u>30,70,25,203</u> |
| 3. Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 2.15 | 15,68,19,835 | 6,40,28,413 |
| ii) Trade Payables | 2.16 | 20,81,89,193 | 20,40,91,585 |
| iii) Others | | - | - |
| b) Other Current Liabilities | 2.17 | 13,56,98,281 | 9,99,69,165 |
| c) Provisions | 2.18 | 2,68,12,036 | 1,89,25,315 |
| d) Current Tax Liabilities (Net) | | - | - |
| | | <u>52,75,19,344</u> | <u>38,70,14,478</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>1,84,34,87,406</u> | <u>1,68,68,60,590</u> |

For and on behalf of the Board

S.N. VARADARAJAN
 Executive Vice-Chairman
 (DIN: 00035693)

Vinod Narsiman
 Managing Director
 (DIN: 00035746)

S. INDERCHAND
 Director
 (DIN: 00035907)

S. MAHADEVAN
 Company Secretary

R. MURALI
 Chief Financial Officer

 Place : Coimbatore
 Date: 30.11.2017

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017 Amount in ₹

| PARTICULARS | Note No. | Half Year Ended 30.09.2017 | Year Ended 31.03.2017 |
|---|----------|-------------------------------|--------------------------|
| I Revenue from operations | 2.19 | 91,15,22,933 | 1,15,60,24,666 |
| II Other Income | 2.20 | 75,66,523 | 5,73,53,077 |
| III Total Revenue (I + II) | | 91,90,89,456 | 1,21,33,77,743 |
| IV Expenses | | | |
| Cost of Materials Consumed | 2.21 | 40,68,97,425 | 57,55,05,315 |
| Purchases of Stock in Trade | | 5,77,07,863 | 5,93,73,054 |
| Changes in inventories of finished goods, work in progress and Stock-in- trade | 2.22 | 2,59,69,643 | (3,56,95,393) |
| Other Manufacturing Expenses | | - | - |
| Employee benefits expense | 2.23 | 4,98,90,568 | 8,83,48,517 |
| Finance Costs | 2.24 | 3,81,43,041 | 7,26,33,788 |
| Depreciation and amortization expense | 2.25 | 2,25,63,944 | 4,38,86,549 |
| Other expense | 2.26 | 25,46,48,041 | 38,63,30,290 |
| Total Expenses | | 85,58,20,525 | 1,19,03,82,120 |
| V Profit before exceptional and extraordinary items and tax (III-IV) | | 6,32,68,930 | 2,29,95,623 |
| VI Exceptional Items | | - | - |
| VII Profit before tax (V-VI) | | 6,32,68,930 | 2,29,95,623 |
| VIII Tax expense: | | | |
| (1) Current tax | | 2,17,01,647 | 76,72,320 |
| (2) MAT Adjustment | | (81,99,045) | (29,83,777) |
| (3) Deferred tax | | (7,63,292) | (53,90,630) |
| | | <u>1,27,39,310</u> | <u>(7,02,086)</u> |
| IX Profit for the period from continuing operations (VII - VIII) | | 5,05,29,620 | 2,36,97,709 |
| X Profit/(Loss) from Discontinued Operations | | - | - |
| XI Tax Expense of Discontinued Operations | | - | - |
| XII Profit/(Loss) from Discontinued Operations after tax (X - XI) | | - | - |
| XIII Profit for the period (IX + XII) | | 5,05,29,620 | 2,36,97,709 |
| XIV Other Comprehensive Income | 2.27 | | |
| A (i) Items that will not be reclassified to Profit or Loss | | (8,514) | - |
| (ii) Income tax relating to Items that will not be reclassified to Profit or Loss | | - | - |
| B (i) Items that will be reclassified to Profit or Loss | | 3,465 | - |
| (ii) Income tax relating to Items that will be reclassified to Profit or Loss | | - | - |
| XV Total Comprehensive Income for the period (XIII + XIV) | | 5,05,24,571 | 2,36,97,709 |
| XVI Earnings per equity share: | 2.28 | | |
| (1) Basic | | 3.18 | 1.49 |
| (2) Diluted | | 3.18 | 1.49 |

For and on behalf of the Board

S.N. VARADARAJAN
Executive Vice-Chairman
(DIN: 00035693)

Vinod Narsiman
Managing Director
(DIN: 00035746)

S. INDERCHAND
Director
(DIN: 00035907)

S. MAHADEVAN
Company Secretary

R. MURALI
Chief Financial Officer

Place : Coimbatore
Date: 30.11.2017

INDSIL HYDRO POWER AND MANGANESE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 30th SEPTEMBER 2017

| Particulars | Half Year ended 30.09.2017 | Year ended 31.03.2017 |
|---|-------------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit / (loss) before tax | 6,32,68,930 | 2,29,95,623 |
| Adjustments for | | |
| Interest Receipts | (11,38,197) | (39,75,330) |
| Dividend Income | (6,06,703) | (4,04,61,098) |
| Depreciation | 2,25,63,944 | 4,38,86,549 |
| Employe compensation - ESOS amortisation | - | - |
| Financial charges & Interest | 3,81,43,041 | 7,26,33,788 |
| Deferred Tax | (7,63,292) | (53,90,630) |
| Profit/Loss on sale of assets | - | - |
| Provision for gratuity and Encashment of earned leave | 15,27,338 | 4,80,385 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 12,29,95,061 | 9,01,69,287 |
| Adjustments for changes in | | |
| Inventories | (2,81,54,518) | (5,42,96,041) |
| Trade receivables | (10,92,68,018) | (1,88,47,827) |
| Other advances | 1,77,29,298 | 60,62,172 |
| Current liabilities | 4,77,13,445 | 7,99,29,065 |
| Cash generated from operations | 5,10,15,268 | 10,30,16,657 |
| Income Tax Payments | (1,27,39,310) | 7,02,086 |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | 3,82,75,958 | 10,37,18,743 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (86,39,692) | (1,93,76,993) |
| Sale of Fixed Assets | - | - |
| Purchase of investments | - | - |
| Increase/Decrease in Investments | - | 1 |
| Interest received | 11,38,197 | 39,75,330 |
| Dividend Income | 6,06,703 | 40,461,098 |
| NET CASH FLOW FROM INVESTING ACTIVITIES (B) | (68,94,791) | 25,059,435 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of share capital | - | - |
| Repayment of Long term borrowings | (5,41,66,667) | (4,97,05,724) |
| Increase in Long term Borrowings | 1,90,00,000 | 6,17,89,059 |
| Increase/(decrease) in Short term Borrowings | 9,27,91,421 | (8,24,37,741) |
| Financial Charges & Interest | (3,81,43,041) | (7,26,33,788) |
| Payment of Dividend & Tax | - | (1,27,09,434) |
| Increase/(decrease) in Long term Loan and advances | (3,47,33,077) | 58,91,983 |
| NET CASH FLOW FROM FINANCING ACTIVITIES (C) | (1,52,51,363) | (14,98,05,644) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | 1,61,29,804 | (2,10,27,466) |
| Cash and Cash Equivalents as on 01.4.2017 (Opening Balance) | 29,68,713 | 2,39,96,179 |
| Cash and Cash Equivalents as on 30.9.2017 (Closing Balance) | 1,90,98,517 | 29,68,713 |
| Note : | | |
| Cash and cash equivalents included in the cash flow statement comprise the following Balance sheet amounts: | | |
| Cash in Hand and balance with Banks | 42,17,127 | 23,94,026 |
| Short term Investments in debt based liquid funds | 1,48,81,390 | 5,74,687 |
| | 1,90,98,517 | 29,68,713 |

For and on behalf of the Board

S.N. VARADARAJAN
Executive Vice-Chairman
(DIN: 00035693)

Vinod Narsiman
Managing Director
(DIN: 00035746)

Place : Coimbatore
Date: 30.11.2017

S. INDERCHAND
Director
(DIN: 00035907)

S. MAHADEVAN
Company Secretary

R. MURALI
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30th SEPTEMBER 2017

A) Equity Share Capital

| Balance as at 01.04.2017 | Changes in Equity Share Capital during the year | Balance as at 30.09.2017 |
|--------------------------|---|--------------------------|
| 15,88,67,920 | - | 15,88,67,920 |

B) Other Equity

| Particulars | Share Application Money pending Allotment | Securities Premium Reserve | General Reserve | Surplus | Debt Instruments through Other Comprehensive Income | Equity Instruments through other comprehensive income | Total |
|---|---|----------------------------|-----------------|--------------|---|---|--------------|
| Balance as at 01.04.2017 | - | 96,92,956 | 1,267,60,003 | 69,75,00,030 | - | - | 83,39,52,989 |
| Changes in accounting policies | - | - | - | - | - | - | - |
| Prior period errors | - | - | - | - | - | - | - |
| Restated Balance as at 01.04.2017 | - | 96,92,956 | 12,67,60,003 | 69,75,00,030 | - | - | 83,39,52,989 |
| Total Comprehensive Income for the year | - | - | - | 5,05,29,620 | - | (5,049) | 5,05,24,571 |
| Dividends | - | - | - | - | - | - | - |
| Transfer to Reserves | - | - | - | - | - | - | - |
| Balance as at 30.09.2017 | - | 96,92,956 | 2,67,60,003 | 74,80,29,650 | - | (5,049) | 88,44,77,560 |

For and on behalf of the Board

S.N. VARADARAJAN
Executive Vice-Chairman
(DIN: 00035693)

Vinod Narsiman
Managing Director
(DIN: 00035746)

S. INDERCHAND
Director
(DIN: 00035907)

S. MAHADEVAN
Company Secretary

R. MURALI
Chief Financial Officer

Place : Coimbatore
Date: 30.11.2017

INDSIL HYDRO POWER AND MANGANESE LIMITED
2.01 PROPERTY, PLANT AND EQUIPMENT

| S. No. | Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------|-------------------------------------|---------------------|--------------------------|---------------------------|-----------------------|---------------------|--------------------|---------------------------|---------------------|----------------------|----------------------|
| | | Cost As on 1.4.2017 | Addition during the year | Deduction during the year | Cost As on 30.09.2017 | Upto 31.03.2017 | For the year | Deduction during the year | Upto 30.09.2017 | WDV as on 30.09.2017 | WDV as on 31.03.2017 |
| I | Tangible Assets | | | | | | | | | | |
| 1 | Land | 2,75,48,176 | - | - | 2,75,48,176 | - | - | - | - | 2,75,48,176 | 2,75,48,176 |
| 2 | Industrial Plot | 30,13,48,846 | 10,93,139 | - | 30,24,41,985 | 16,66,46,471 | 50,56,485 | - | 17,17,02,956 | 13,07,39,029 | 13,47,02,375 |
| 3 | Building | 57,39,40,282 | 33,61,612 | - | 57,73,01,894 | 43,16,25,930 | 1,55,81,515 | - | 44,72,07,445 | 13,00,94,449 | 14,23,14,352 |
| 4 | Plant and Equipment | 2,34,59,861 | 9,83,098 | - | 2,44,42,959 | 2,21,03,868 | 6,21,241 | - | 2,27,25,109 | 17,17,850 | 13,55,993 |
| 5 | Electrical Installation | 26,02,663 | - | - | 26,02,663 | 26,02,663 | - | - | 26,02,663 | - | - |
| 6 | Other Equipments | 42,85,835 | 23,400 | - | 43,09,235 | 41,81,795 | 1,27,440 | - | 43,09,235 | (-) | 1,04,040 |
| 7 | Furnitures & Fixtures | 56,49,214 | - | - | 56,49,214 | 36,14,815 | 2,69,073 | - | 38,83,888 | 17,65,326 | 20,34,399 |
| 8 | Vehicles (Cars) | 55,92,720 | 90,038 | - | 56,82,758 | 35,08,567 | 1,46,412 | - | 36,54,979 | 20,27,779 | 20,84,153 |
| 9 | Office Equipment | 66,14,173 | 68,894 | - | 66,83,067 | 65,95,219 | 73,226 | - | 66,68,445 | 14,622 | 18,954 |
| 10 | Computer | 12,10,128 | - | - | 12,10,128 | 12,10,128 | - | - | 12,10,128 | - | - |
| 11 | Tractor & Trailer | 2,67,04,116 | - | - | 2,67,04,116 | 1,41,03,566 | 4,47,181 | - | 1,45,50,747 | 1,21,53,380 | 1,26,00,549 |
| 11 | Transmission Lines | | | | | | | | | | |
| | SUB TOTAL (A) | 97,89,56,013 | 5,620,181 | - | 98,45,76,194 | 65,61,93,021 | 2,23,22,573 | - | 67,85,15,594 | 30,60,60,611 | 32,27,62,991 |
| II | Intangible Assets | | | | | | | | | | |
| | ERP Software | 24,13,704 | - | - | 24,13,704 | 19,30,634 | 2,41,371 | - | 21,72,005 | 2,41,700 | 4,83,070 |
| | SUB TOTAL (B) | 24,13,704 | - | - | 24,13,704 | 19,30,634 | 2,41,371 | - | 21,72,005 | 2,41,700 | 4,83,070 |
| III | Capital Work-in-progress | | 30,19,499 | - | 30,19,499 | - | - | - | - | 30,19,499 | - |
| | SUB TOTAL (C) | - | 30,19,499 | - | 30,19,499 | - | - | - | - | 30,19,499 | - |
| | Total [A+B+C] (Current Year) | 98,13,69,717 | 86,39,680 | - | 99,00,09,397 | 65,81,23,655 | 2,25,63,944 | - | 68,06,87,599 | 30,93,21,810 | 32,32,46,061 |
| | (Previous Year) | 96,19,92,724 | 1,93,76,993 | - | 98,13,69,717 | 61,42,37,106 | 4,38,86,549 | - | 65,81,23,655 | 32,32,46,062 | 34,77,55,617 |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO THE BALANCE SHEET

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|---|---|---|
| 2.02 | NON CURRENT INVESTMENTS | | |
| 1 | Trade Investments - Unquoted Fully paid up In Equity Shares of Other Related Entity - 25,500 Nos Indsil Energy & Electrochemicals Pvt Ltd. of ₹ 10/- each (Extent of Holding - 0.65%) | 2,55,000 | 2,55,000 |
| 2 | In Equity Shares of Subsidiary Company - 21,88,847 Nos. Sree Mahalakshmi Smelters (P) Ltd of ₹ 15.35/- each.(Extent of Holding - 51%) | 3,36,56,300 | 3,36,56,300 |
| 3 | In Equity Shares of Joint Venture Company - 1267834 Nos. Al Tamman Indsil Ferro chrome of 142.212 Oman Riyal - each (Extent of Holding - 26.62%.) | 18,03,01,790 | 18,03,01,790 |
| 4 | In Equity Shares of Wholly Owned Subsidiary Company - 150000 Nos. Indsil Hydro Global (FZE) of 1 AED each (Extent of Holding - 100%) | 25,72,500 | 25,72,500 |
| 5 | Other Investments - Unquoted Fully paid up 8,000 Equity Shares of ₹ 10/- each in Kurumpetty HPP Ltd 8,000 Equity Shares of ₹ 10/- each in Palakkayam HPP Ltd 8,000 Equity Shares of ₹ 10/- each in Upper Poringal HPP Ltd 8,000 Equity Shares of ₹ 10/- each in Vattapara HPP Ltd 1,57,500 equity shares of ₹ 10/- each in Malayalam Communications Ltd. | 80,000 80,000 80,000 80,000 15,75,000 | 80,000 80,000 80,000 80,000 15,75,000 |
| | Total | 21,86,80,590 | 21,86,80,590 |
| 2.03 | LONG TERM LOANS & ADVANCES | | |
| | Unsecured considered good | | |
| | Capital Advances | | - |
| | Other loans and advances | | |
| | - Electricity Charges recoverable | 5,31,11,594 | 5,31,11,594 |
| | - Security Deposits | 2,56,08,622 | 2,36,31,494 |
| | - Rental Advances | 22,74,080 | 22,64,080 |
| | - Tax Payment Pending Adjustments | 8,12,11,664 | 7,96,02,373 |
| | - Other Loans & Advances | 3,29,42,607 | 18,05,949 |
| | Total | 19,51,48,567 | 16,04,15,490 |
| 2.04 | INVENTORIES | | |
| a | Raw Materials and components | 21,85,95,291 | 18,21,94,054 |
| | Goods in Transit | 4,17,76,000 | 2,42,91,905 |
| b | Finished goods | 3,94,76,013 | 6,79,92,475 |
| c | Stores and spares | 15,36,524 | 14,26,936 |
| d | Others | | |
| | Consumables | 5,15,360 | 4,26,750 |
| | Packing Materials | 4,26,982 | 3,86,352 |
| e | Power - Banked Energy | 88,89,766 | 63,42,947 |
| | Total | 31,12,15,936 | 28,30,61,419 |
| 2.05 | CURRENT INVESTMENTS | | |
| | Other Investments | | |
| | Investment in Mutual Funds | | |
| | SBI Magnum Insta Cash Fund | 1,42,97,309 | - |
| | 527 Units in DSP Blackrock Money Manager Fund (Previous year 498 Units) | 5,84,081 | 5,74,687 |
| | Total | 1,48,81,390 | 5,74,687 |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO THE BALANCE SHEET

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|---|---------------------|---------------------|
| 2.06 | TRADE RECEIVABLES | | |
| 1 | Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good Subsidiary Company - Sree Mahalakshmi Smelters Pvt Ltd., | 10,04,85,553 | 10,06,82,022 |
| | Sub Total (A) | 10,04,85,553 | 10,06,82,022 |
| 2 | Trade receivables outstanding for a period less than six months from the date they are due for payment Secured, considered good Unsecured, considered good | 24,23,23,377 - | 13,28,58,891 - |
| | Sub Total (B) | 24,23,23,377 | 13,28,58,891 |
| | Total (A+B) | 34,28,08,930 | 23,35,40,913 |
| 2.07 | CASH AND BANK BALANCES | | |
| 1 | Cash and Cash Equivalents | | |
| a) | Balance with Banks | | |
| - | In Current Accounts | 27,60,301 | 4,12,373 |
| b) | Cash on hand | 12,56,825 | 12,29,939 |
| c) | Cheques on hand | - | 5,51,713 |
| d) | Fixed Deposits maturing within 3 months | 2,00,000 | 2,00,000 |
| 2 | Other Bank Balances | | |
| a) | Margin money | 3,70,27,745 | 3,84,00,441 |
| b) | Unclaimed Dividend | 23,72,092 | 23,89,628 |
| | Total | 4,36,16,964 | 4,31,84,095 |
| 2.08 | SHORT TERM LOANS & ADVANCES | | |
| 1 | Loans and advances to related parties Unsecured, considered good - Unsecured Loan to subsidiary Company | 22,91,90,562 | 23,80,49,428 |
| 2 | Others | | |
| | Balance With Government Authorities Unsecured, considered good | 5,05,90,635 | 4,81,40,130 |
| - | Advance to Trade suppliers | 2,68,160 | 5,66,567 |
| - | Advance to employees | 1,79,700 | 85,800 |
| - | Other Advances | 11,77,75,556 | 13,04,63,695 |
| | Total | 39,80,04,613 | 41,73,05,620 |
| 2.09 | OTHER CURRENT ASSETS | | |
| | Export Incentives receivable | 98,08,604 | 68,51,714 |
| | Total | 98,08,604 | 68,51,714 |
| 2.10 | SHARE CAPITAL | | |
| | AUTHORISED | | |
| | 2,00,00,000 Equity Shares of ₹ 10/- each | 20,00,00,000 | 20,00,00,000 |
| | 5,00,000 Redeemable Cumulative Preference Shares of ₹ 100/- each | 5,00,00,000 | 5,00,00,000 |
| | Total | 25,00,00,000 | 25,00,00,000 |
| | ISSUED | | |
| | 1,58,86,792 Equity Shares of ₹ 10/- each fully paid-up (31 st March 2017: 1,58,86,792 Equity Shares of ₹ 10/- each) | 15,88,67,920 | 15,88,67,920 |
| | Total | 15,88,67,920 | 15,88,67,920 |
| | SUBSCRIBED AND PAID UP | | |
| | 1,58,86,792 Equity Shares of ₹ 10/- each fully paid-up (31 st March 2017: 1,58,86,792 Equity Shares of ₹ 10/- each) | 15,88,67,920 | 15,88,67,920 |
| | Total | 15,88,67,920 | 15,88,67,920 |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO FINANCIAL STATEMENTS

i) Terms/rights attached to equity shares:

The company has only one class of issued shares referred to as equity shares having a par value of 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of shareholders in the Annual General Meeting.

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

| Equity Shares | 30.09.2017 | | 31.03.2017 | |
|--|-------------|--------------|-------------|--------------|
| | Number | Value (₹) | Number | Value (₹) |
| Equity Shares at the beginning of the year | 1,58,86,792 | 15,88,67,920 | 1,58,86,792 | 15,88,67,920 |
| Add: Issues during the year | - | - | - | - |
| Equity Shares at the end of the year | 1,58,86,792 | 15,88,67,920 | 1,58,86,792 | 15,88,67,920 |

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

| Name of Shareholder | 30.09.2017 | | 31.03.2017 | |
|---|--------------------|---------------|--------------------|---------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Sunmet Holdings India Private Limited | 55,18,252 | 34.73% | 55,18,252 | 34.73% |
| S N Varadarajan | 10,90,208 | 6.86% | 10,90,208 | 6.86% |
| Kerala State Industrial Development Corporation | 10,54,166 | 6.64% | 10,54,166 | 6.64% |
| TOTAL | 76,62,626 | 48.23% | 76,62,626 | 48.23% |

iv) Aggregate number of bonus shares issued in the preceding 5 years

| Equity Shares | No. of Shares | Amount (₹) |
|--|---------------|-------------|
| Equity shares allotted as fully paid bonus shares pursuant to capitalisation of reserves in 2010-11. | 63,54,717 | 6,35,47,170 |

2.10 OTHER EQUITY
1. SECURITIES PREMIUM ACCOUNT

| | | |
|---|------------------|------------------|
| Opening balance | 96,92,956 | 96,92,956 |
| Add: Credit on Exercise of ESOS Shares during the year of ₹ 10/- each (No. of Shares issued: 4,625 Shares @ ₹ 62.40) | - | - |
| Closing balance | 96,92,956 | 96,92,956 |

2. GENERAL RESERVES

| | |
|---------------------|---------------------|
| 12,67,60,003 | 12,67,60,003 |
|---------------------|---------------------|

3. SURPLUS

| | | |
|--|---------------------|---------------------|
| Opening balance | 69,75,00,030 | 68,65,11,755 |
| (+) Profit / (Loss) for the current year | 5,05,29,620 | 7,36,97,709 |
| (-) Proposed Dividends | - | (1,27,09,434) |
| (-) Tax on Proposed Dividends | - | - |
| Closing balance | 74,80,29,650 | 69,75,00,030 |
| Total | 88,44,82,609 | 83,39,52,989 |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO FINANCIAL STATEMENTS
2.12 LONG TERM BORROWINGS

| Particulars | 30.09.2017 (₹) | 31.03.2017 (₹) | 30.09.2017 (₹) | 31.03.2017 (₹) |
|-------------------------|---------------------|---------------------|--------------------|--------------------|
| | Non Current | | Current Maturities | |
| Secured | | | | |
| Term loans from Banks | | | | |
| - Rupee Loan | 13,10,83,333 | 16,62,50,000 | 5,41,66,667 | 5,41,66,667 |
| - Foreign Currency Loan | - | - | - | - |
| Total | 13,10,83,333 | 16,62,50,000 | 5,41,66,667 | 5,41,66,667 |

2.13 LONG TERM PROVISIONS

| Equity Shares | 30.9.2017 (₹) | 31.9.2017 (₹) |
|-----------------------------------|---------------------|---------------------|
| Provision for Gratuity | 1,48,01,992 | 1,32,74,654 |
| Provision for Electricity demands | 11,09,49,430 | 11,09,49,430 |
| Total | 12,57,51,422 | 12,42,24,084 |

2.14 DEFERRED TAXES

Deferred Tax Liabilities

Fixed assets

1,57,87,827
1,65,51,119
Total
1,57,87,827
1,65,51,119
2.15 SHORT TERM BORROWINGS

Secured

Working Capital facilities from Banks

- In Rupee

15,68,19,835
6,40,28,413
Total
15,68,19,835
6,40,28,413
2.16 TRADE PAYABLES

Dues to Micro, small and medium Enterprises

-

-

Others

20,81,89,193
20,40,91,585
Total
20,81,89,193
20,40,91,585
2.17 OTHER CURRENT LIABILITIES

Current maturities of Long term Borrowings (Refer Note No. 2.03)

5,41,66,667

5,41,66,667

Advance from Customers

-

-

Unclaimed Dividends

24,12,778

24,30,148

Accrued Employee benefits

72,78,947

1,00,56,383

Statutory liabilities

4,19,05,894

38,62,510

Other Payables

2,99,33,994

2,94,53,457

Total
13,56,98,281
9,99,69,165
2.18 SHORT TERM PROVISIONS

Proposed Dividend

1,27,09,434

1,27,09,434

Tax on Proposed Dividend

-

-

Provision for Employee Benefits

6,00,000

15,27,338

Provision for Income Tax (Net)

1,35,02,602

46,88,543

Total
2,68,12,036
1,89,25,315

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO FINANCIAL STATEMENTS

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|---|----------------------------|------------------------------|
| 2.19 | REVENUE FROM OPERATIONS | | |
| | Sale of Products: | | |
| | - Smelter | 94,39,43,310 | 1,140,845,070 |
| | - Power | 6,44,76,219 | 5,97,74,852 |
| | - Sale of Raw Materials | - | 3,30,28,111 |
| | | <u>100,84,19,529</u> | <u>123,36,48,034</u> |
| | Less : Excise duty | (4,32,71,113) | (3,05,19,076) |
| | | <u>96,51,48,416</u> | <u>120,31,28,958</u> |
| | Interdivisional Sale of Power | (6,44,76,219) | (5,97,74,852) |
| | <i>Other Operating Income</i> | | |
| | Export Incentives | 1,08,50,736 | 1,26,70,560 |
| | Total | <u>91,15,22,933</u> | <u>1,15,60,24,666</u> |
| | Detail of Revenue from operations | | |
| | Silico Manganese & Manganese Ore | 90,06,72,197 | 1,14,33,54,106 |
| | Export Incentives | 1,08,50,736 | 1,26,70,560 |
| | Total | <u>91,15,22,933</u> | <u>1,15,60,24,666</u> |
| 2.20 | Other Income | | |
| | Interest Income | 11,38,197 | 39,75,330 |
| | Dividend from Current Investments | 6,06,703 | 26,035 |
| | Dividend from Subsidiaries | - | 4,04,35,063 |
| | Profit on Sale of Assets | - | - |
| | Scrap sales | 7,68,463 | 8,55,457 |
| | Income from REC | - | - |
| | Miscellaneous Income | 50,53,159 | 1,20,61,192 |
| | Total | <u>75,66,523</u> | <u>5,73,53,077</u> |
| 2.21 | COST OF MATERIALS CONSUMED | | |
| | Consumption of Raw Materials | | |
| | Manganese Ore | 26,05,65,217 | 39,34,69,026 |
| | Carbon reducers | 12,37,56,179 | 14,57,69,999 |
| | Quartz | 80,47,918 | 1,69,28,935 |
| | Carbon Paste | 1,15,40,234 | 1,75,72,273 |
| | Others | 29,87,878 | 17,65,082 |
| | Sub Total | <u>40,68,97,425</u> | <u>57,55,05,315</u> |
| | Traded Goods | <u>5,77,07,863</u> | <u>5,93,73,054</u> |
| | Total | <u>46,46,05,289</u> | <u>63,48,78,369</u> |
| 2.22 | CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN- TRADE | | |
| | Finished Goods: Opening Stock | 6,79,92,475 | 3,02,03,464 |
| | Less: Closing Stock | (3,94,76,013) | (6,79,92,475) |
| | | <u>2,85,16,462</u> | <u>(3,77,89,011)</u> |
| | Hydro Banked Units : Opening Stock | 63,42,947 | 84,36,565 |
| | Less: Closing Stock | (88,89,766) | (63,42,947) |
| | | <u>(25,46,819)</u> | <u>20,93,618</u> |
| | Total | <u>2,59,69,643</u> | <u>(3,56,95,393)</u> |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO FINANCIAL STATEMENTS

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|--|---------------------|---------------------|
| 2.23 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries and wages | 3,99,92,841 | 7,02,65,178 |
| | Contribution to provident Fund & other Funds | 30,37,594 | 55,36,603 |
| | Employee compensation - ESOS amortisation | 17,248 | - |
| | Provision for Gratuity & Earned Leave Encashment | 7,14,221 | 4,05,499 |
| | Staff welfare expenses | 61,28,664 | 1,21,41,237 |
| | Total | 4,98,90,568 | 8,83,48,517 |
| 2.24 | FINANCE COSTS | | |
| | Interest expense | 3,52,62,780 | 6,67,94,933 |
| | Other Borrowing Costs | 28,80,261 | 58,38,855 |
| | Total | 3,81,43,041 | 7,26,33,788 |
| 2.25 | DEPRECIATION AND AMORTIZATION EXPENSE | | |
| | Depreciation and amortization expense | 2,25,63,944 | 4,38,86,549 |
| | Total | 2,25,63,944 | 4,38,86,549 |
| 2.26 | OTHER EXPENSE | | |
| | Power & Fuel (Net) | 19,73,98,811 | 29,92,29,024 |
| | Packing, Freight & Forwarding | 1,48,86,079 | 1,62,78,728 |
| | Royalty | - | - |
| | Communication Expenses | 7,28,854 | 20,26,374 |
| | Commission to Other Directors | - | 2,52,303 |
| | Directors Sitting Fees | 1,17,500 | 2,10,000 |
| | Travelling Expenses | 24,69,040 | 44,28,092 |
| | Repairs & Maintenance : | | |
| | Plant & Machinery | 65,73,641 | 1,38,12,800 |
| | Buildings & Others | 1,06,13,830 | 93,27,638 |
| | Insurance Expenses | 11,86,701 | 36,06,311 |
| | Legal Expenses | 8,00,000 | 11,70,450 |
| | Professional Charges | 37,68,191 | 49,65,848 |
| | Security service charges | 25,92,588 | 44,55,170 |
| | Printing and Stationery | 2,86,254 | 10,36,894 |
| | Auditors Remuneration | | |
| | For Audit | - | 5,25,000 |
| | Rent | 45,59,675 | 55,50,837 |
| | Rates & Taxes | 14,71,048 | 18,35,085 |
| | Subscription | 10,47,542 | 10,15,699 |
| | Donation | 5,13,970 | 19,79,262 |
| | Sales Promotion expenses | 1,36,580 | 2,20,830 |
| | Sales Commission & Discount | 10,76,816 | 39,35,463 |
| | Transportation charges | 23,73,267 | 21,83,530 |
| | Exchange Fluctuation (Net) | - | 58,49,805 |
| | Loss on Sale of Assets | - | - |
| | Miscellaneous Expenses | 20,47,654 | 24,35,147 |
| | Total | 25,46,48,041 | 38,63,30,290 |

INDSIL HYDRO POWER AND MANGANESE LIMITED
NOTES TO FINANCIAL STATEMENTS

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|---|---|-------------|-------------|
| INDSIL HYDRO POWER AND MANGANESE LIMITED | | | |
| | A (i) Items that will not be reclassified to Profit or Loss | (8,514) | - |
| | (ii) Income tax relating to Items that will not be reclassified to Profit or Loss | - | - |
| | B (i) Items that will be reclassified to Profit or Loss | 3,465 | - |
| | (ii) Income tax relating to Items that will be reclassified to Profit or Loss | - | - |
| 2.28 | EARNING PER SHARE | | |
| | Basic EPS | | |
| | Net Profit after Tax | 5,05,24,571 | 2,36,97,709 |
| | Weighted average number of equity shares (Face Value of ₹ 10 each) | 1,58,86,792 | 1,58,86,792 |
| | Basic EPS (₹) | 3.18 | 1.49 |
| | Diluted EPS (₹) | 3.18 | 1.49 |

For and on behalf of the Board

S.N. VARADARAJAN
Executive Vice-Chairman
(DIN: 00035693)

Vinod Narsiman
Managing Director
(DIN: 00035746)

Place : Coimbatore
Date: 30.11.2017

S. INDERCHAND
Director
(DIN: 00035907)

S. MAHADEVAN
Company Secretary

R. MURALI
Chief Financial Officer

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
Annexure - 10
UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER 2017

Amount in ₹

| PARTICULARS | Note No. | As at 30.09.2017 | As at 31.03.2017 |
|---|----------|-----------------------|-----------------------|
| 1 EQUITY AND LIABILITIES | | | |
| Shareholder's funds | | | |
| (a) Share Capital | 2.01 | 19,87,56,778 | 19,15,40,310 |
| (b) Reserves and Surplus | 2.02 | 73,77,96,981 | 62,27,15,319 |
| | | <u>93,65,53,759</u> | <u>81,42,55,629</u> |
| 2 Non- current liabilities | | | |
| (a) Long-term borrowings | 2.03 | 6,03,29,380 | 8,50,63,460 |
| (b) Deferred Tax liabilities (Net) | 2.04 | 3,92,35,785 | 3,92,35,785 |
| (c) Long-term Provisions | 2.05 | 23,02,106 | 21,77,106 |
| | | <u>10,18,67,271</u> | <u>12,64,76,351</u> |
| 3 Current Liabilities | | | |
| (a) Short term borrowings | 2.06 | 72,18,79,966 | 72,41,08,751 |
| (b) Trade payables | 2.07 | 10,53,71,766 | 13,80,09,234 |
| (c) Other current liabilities | 2.08 | 6,69,04,559 | 8,25,84,495 |
| (d) Short term provisions | 2.09 | - | 30,26,722 |
| | | <u>89,41,56,291</u> | <u>94,77,29,201</u> |
| TOTAL | | <u>1,93,25,77,321</u> | <u>1,88,84,61,181</u> |
| II ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | 2.10 | | |
| (i) Tangible assets | | 45,58,59,004 | 47,26,85,731 |
| (ii) Capital work-in-progress | | 87,77,112 | 87,77,112 |
| (iii) Intangible assets under development | | 36,32,416 | 36,32,416 |
| (b) Non-current investments | 2.11 | 25,01,59,383 | 25,01,59,383 |
| (c) Long-term loans and advances | 2.12 | 6,37,24,926 | 5,27,82,351 |
| | | <u>78,21,52,841</u> | <u>78,80,36,992</u> |
| 2 Current assets | | | |
| (a) Current Investment | 2.12a | 60,00,000 | - |
| (b) Inventories | 2.13 | 1,05,18,59,430 | 96,42,35,232 |
| (c) Trade receivables | 2.14 | 2,49,96,766 | 1,55,11,495 |
| (d) Cash and Bank Balances | 2.15 | 3,63,55,315 | 2,45,31,970 |
| (e) Short-term loans and advances | 2.16 | 1,24,65,107 | 5,99,67,344 |
| (f) Other Current assets | 2.17 | 1,87,47,862 | 3,61,78,148 |
| | | <u>1,15,04,24,480</u> | <u>1,10,04,24,189</u> |
| TOTAL | | <u>1,93,25,77,321</u> | <u>1,88,84,61,181</u> |

 "Significant Accounting Policies
and Notes on Financial Statements

1 & 2

For and on behalf of the Board

 Place : Coimbatore
Date : 30.11.2017

S.N.VARADARAJAN
Director
(DIN: 00035693)

VINOD NARSIMAN
Director
(DIN: 00035746)

P. KRISHNAVENI
Company Secretary

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in ₹

| PARTICULARS | Note No. | Half Year ended 30.09.2017 | Year ended 31.03.2017 |
|--|----------|-------------------------------|--------------------------|
| I Revenue from operations | 2.18 | 85,84,99,046 | 1,35,76,16,068 |
| II Other Income | 2.19 | 2,48,67,771 | 6,27,95,023 |
| III Total Revenue (I + II) | | 88,33,66,817 | 1,42,04,11,092 |
| IV Expenses | | | |
| Cost of Materials Consumed | 2.20 | 33,13,51,144 | 69,84,46,528 |
| Purchase of Traded Goods | | 26,64,12,774 | 27,61,15,560 |
| Changes in inventories of finished goods and work in progress | 2.21 | 2,12,11,938 | (4,10,76,416) |
| Employee benefits expense | 2.22 | 1,89,92,177 | 4,09,46,975 |
| Finance Costs | 2.23 | 5,13,82,958 | 10,47,23,671 |
| Depreciation and amortization expense | 2.24 | 1,93,34,266 | 3,74,19,756 |
| Other expense | 2.25 | 18,48,83,094 | 28,96,03,110 |
| Total Expenses | | 89,35,68,352 | 1,40,61,79,184 |
| V Profit before exceptional and extraordinary items and tax (III-IV) | | (1,02,01,535) | 1,42,31,908 |
| VI Extraordinary items | | - | - |
| VII Profit before tax (V-VI) | | (1,02,01,535) | 1,42,31,908 |
| VIII Tax expense: | | | |
| (1) Current tax | | - | 57,56,986 |
| (2) MAT Credit Entitlement | | - | - |
| (3) Deferred tax | | - | 5,14,111 |
| | | - | 62,71,097 |
| XV Profit for the year (VII + VIII) | | (1,02,01,535) | 79,60,811 |
| XVI Earnings per equity share: | 2.27 | | |
| (1) Basic | | (0.42) | 0.38 |
| (2) Diluted | | (0.42) | 0.38 |

For and on behalf of the Board

 Place : Coimbatore
 Date : 30.11.2017

S.N.VARADARAJAN
 Director
 (DIN: 00035693)

VINOD NARSIMAN
 Director
 (DIN: 00035746)

P. KRISHNAVENI
 Company Secretary

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 30th SEPTEMBER 2017

| Particulars | Half Year ended 30.09.2017 | Year ended 31.03.2017 |
|--|-------------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit / (loss) before taxation and extra ordinary items | (1,02,01,535) | 1,42,31,908 |
| Adjustments for | | |
| Depreciation | 1,93,34,266 | 3,74,19,756 |
| Interest Receipts | (33,12,880) | (75,49,420) |
| Dividend Income | (1,32,00,000) | (3,48,24,338) |
| Financial charges & Interest | 5,13,82,958 | 10,47,23,671 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 4,40,02,809 | 11,40,01,576 |
| Adjustments for changes in | | |
| Inventories | (8,76,24,198) | (12,06,50,686) |
| Trade receivables | (94,85,271) | 1,14,36,629 |
| Other advances | 6,49,32,524 | (23,22,9,882) |
| Current liabilities | (5,12,19,126) | 10,08,44,448 |
| Cash generated from operations | (3,93,93,262) | 8,24,02,084 |
| Income/Dividend - Tax Payments | - | (57,56,986) |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | (3,93,93,262) | 7,66,45,099 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (25,07,540) | (3,72,68,202) |
| Increase/Decrease in Investments | (60,00,000) | 5,03,000 |
| Interest received | 33,12,880 | 75,49,420 |
| Dividend Income | 1,32,00,000 | 3,48,24,338 |
| NET CASH FLOW FROM INVESTING ACTIVITIES (B) | 80,05,340 | 56,08,556 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase in Share Capital | 13,99,99,665 | 4,99,99,814 |
| Repayment of Long term borrowings | (2,47,34,080) | (1,22,49,904) |
| Increase/(decrease) in Short term Borrowings | (22,28,784) | (1,07,58,006) |
| Financial Charges & Interest | (5,13,82,958) | (10,47,23,671) |
| Payment of Dividend & Tax | (75,00,000) | (1,50,00,000) |
| Increase/(decrease) in Long term Loan and advances | (1,09,42,575) | (46,82,513) |
| NET CASH FLOW FROM FINANCING ACTIVITIES (C) | 4,32,11,267 | (9,74,14,280) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | 1,18,23,346 | (1,51,60,624) |
| Cash and Cash Equivalents as on 1.04.2017 (Opening Balance) | 2,45,31,970 | 3,96,92,595 |
| Cash and Cash Equivalents as on 30.09.2017 (Closing Balance) | 3,63,55,316 | 2,45,31,970 |

For and on behalf of the Board

Place : Coimbatore
Date : 30.11.2017

S.N.VARADARAJAN
Director
(DIN: 00035693)

VINOD NARSIMAN
Director
(DIN: 00035746)

P. KRISHNAVENI
Company Secretary

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|----------|--|---------------------|---------------------|
| 2.01 | SHARE CAPITAL | | |
| | AUTHORIZED | | |
| | 5,00,00,000 Equity shares of ₹2/- Each | 10,00,00,000 | 10,00,00,000 |
| | 1,50,00,000 Preference shares of ₹10/- Each | 15,00,00,000 | 15,00,00,000 |
| | Total | 25,00,00,000 | 25,00,00,000 |
| | ISSUED | | |
| | 2,43,88,499 Equity shares of ₹ 2/- each (Previous Year : 2,07,80,265 Equity shares of ₹ 2/- each) | 4,87,76,998 | 4,15,60,530 |
| | 1,50,00,000 Preference shares of ₹10/- each (Previous Year : 1,50,00,000 Preference shares of ₹10/- each) | 15,00,00,000 | 15,00,00,000 |
| | Total | 19,87,76,998 | 19,15,60,530 |
| | SUBSCRIBED AND PAID UP | | |
| | 2,43,78,389 Equity shares of ₹ 2/- each fully paid up (Previous Year : 2,07,70,155 Equity shares of ₹ 2/- each fully paid up) | 4,87,56,778 | 4,15,40,310 |
| | 1,50,00,000 Preference shares of ₹10/- each fully paid up (Previous Year : 1,50,00,000 Preference shares of ₹10/- each fully paid up) | 15,00,00,000 | 15,00,00,000 |
| | Total | 19,87,56,778 | 19,15,40,310 |

I) Terms and Rights Attached to Equity Shares:

The company has issued shares referred to as equity shares having a par value of ₹ 2 each. Each holder of equity shares is entitled to one vote per share.

II) Terms/rights attached to Preference Shares :

The company has issued shares referred to as preference shares having a par value of ₹10 each.

| Particulars | 30.09.2017 | | 31.03.2017 | |
|--|-------------|-------------|-------------|-------------|
| | Number | Value (₹) | Number | Value (₹) |
| Equity Shares at the beginning of the year | 2,07,70,155 | 4,15,40,310 | 38,96,300 | 3,89,63,000 |
| Add: Issues during the year | 36,08,234 | 72,16,468 | 2,57,731 | 25,77,310 |
| Equity Shares at the end of the year | 2,43,78,389 | 4,87,56,778 | 41,54,031 | 4,15,40,310 |
| Subdivision of Equity Shares of face value from ₹10 Per Share to ₹ 2 Per Share | | | 2,07,70,155 | 4,15,40,310 |
| Equity Shares at the end of the year | 2,43,78,389 | 4,87,56,778 | 2,07,70,155 | 4,15,40,310 |

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

| Name of Shareholder | 30.09.2017 | | 31.03.2017 | |
|---|--------------------|---------------|--------------------|---------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Sunmet Holdings India Private Limited | 1,73,16,655 | 71.03% | 32,05,600 | 83.37% |
| Add : Issues During the Year | - | | 2,57,731 | |
| | 1,73,16,655 | | 34,63,331 | |
| Crosimn Agencies Private Limited | 33,00,000 | 13.54% | 6,60,000 | 15.89% |
| Sri Kedar Properties Private Limited | 15,46,391 | 6.34% | - | - |
| Sub-division of Equity Shares of face value from ₹10 Per Share to ₹ 2 Per Share | 2,21,63,046 | | 41,23,331 | |
| | | | 2,06,16,655 | |
| Total | 2,21,63,046 | 90.91% | 2,06,16,655 | 99.26% |

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|--|---------------------|---------------------|
| 2.02 | RESERVES & SURPLUS | | |
| | General Reserves | | |
| | Opening balance | 10,35,00,000 | 10,35,00,000 |
| | Less: Transferred from Statement of P&L | - | - |
| | Closing balance | 10,35,00,000 | 10,35,00,000 |
| | Securities Premium | | |
| | Opening | 4,74,22,504 | - |
| | Security Premium Account during the year | 13,27,83,198 | 4,74,22,504 |
| | Closing balance | 18,02,05,702 | 4,74,22,504 |
| | Surplus | | |
| | Opening balance | 47,17,92,815 | 47,88,32,003 |
| | Add : Net Profit For the current year | (1,02,01,535) | 79,60,811 |
| | Less : Dividend | (75,00,000) | (1,50,00,000) |
| | Closing balance | 45,40,91,279 | 47,17,92,815 |
| | Total | 73,77,96,981 | 62,27,15,319 |

2.03 LONG TERM BORROWINGS

| Particulars | Non-Current | | Current- Maturities of Long Term Loan | |
|---------------------|--------------------|--------------------|---------------------------------------|--------------------|
| | 30.09.2017 (₹) | 31.03.2017 (₹) | 30.09.2017 (₹) | 31.03.2017 (₹) |
| Secured | | | | |
| From Banks | | | | |
| ICICI Bank | 62,50,000 | 1,87,50,000 | 2,50,00,000 | 2,50,00,000 |
| Exim Bank | - | - | - | 1,50,00,000 |
| Yes Bank | 2,80,79,380 | 3,43,13,460 | 1,25,00,000 | 1,25,00,000 |
| RBL Bank Ltd | 2,60,00,000 | 3,20,00,000 | 1,80,00,000 | 1,80,00,000 |
| Kotak Mahindra Bank | - | - | 7,669 | 10,71,033 |
| Total | 6,03,29,380 | 8,50,63,460 | 5,55,07,669 | 7,15,71,033 |

- 1 (i) Term Loan of ₹ 10,00,00,000 from ICICI Bank Limited is secured by way of first charge on the entire movable and immovable fixed assets of the Company ranking pari passu with other participating banks, both present and future Viz, SCB and Exim Bank excluding charges on the vehicles. Second charge on the current assets of the Company ranking pari passu with other participating bank present and future.
 (ii) The loan carries interest at the rate of Bank Base Rate plus 2.75 % and repayable on 16 equal quarterly instalments starting from March, 2015
- 2 (i) Term Loan of ₹ 12,00,00,000 from EXIM Bank Limited is secured by way of first pari passu charge on the entire movable and immovable fixed assets of the Company present and future. Second pari passu charge on the current assets of the Company present and future
 (ii) The loan carries interest at the rate of Bank Base Rate plus 260 BPS and repayable on 16 equal quarterly instalments starting from October, 2013
- 3 (i) Foreign Currency Term Loan of ₹ 5,00,00,000 from Yes Bank Bank Limited is secured by way of first charge on the movable fixed assets of the Company by way of hypothecation and equitable mortgage of immovable assets
 (ii) The loan carries interest at the rate of Bank Base Rate plus 3.75 % on a quarterly basis and repayable on 16 equal quarterly instalments starting from September, 2016
- 4 (i) Working Capital Term Loan of ₹ 5,00,00,000 from RBL Bank Limited is secured by way of first charge on the entire fixed assets of the Company ranking pari passu with other participating banks, both present and future multiple banking arrangement. Second charge on the current assets of the Company ranking pari passu with other participating bank present and future.
 (ii) The loan carries interest at the rate 10.75 % on a monthly basis and repayable on 12 equal quarterly instalments starting from September, 2017

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|---|---|---------------------|---------------------|
| 2.04 | DEFERRED TAX LIABILITY | | |
| | Deferred Tax Liabilities | 3,92,35,785 | 3,92,35,785 |
| | Total | 3,92,35,785 | 3,92,35,785 |
| 2.05 | LONG TERM PROVISIONS | | |
| | Gratuity Payable | 23,02,106 | 21,77,106 |
| | Total | 23,02,106 | 21,77,106 |
| 2.06 | SHORT TERM BORROWINGS | | |
| | Secured | | |
| | Working Capital facilities from Banks | | |
| | - In Rupee | 67,68,70,255 | 67,82,93,324 |
| | - In Foreign Currency | 4,50,09,711 | 4,58,15,427 |
| | Total | 72,18,79,966 | 72,41,08,751 |
| <p>Working capital facilities from The Federal Bank Ltd, IDBI Bank Ltd, RBL Bank, Karnataka Bank Ltd, Axis Bank Ltd and Yes Bank Ltd have pari passu first charge on the entire current assets of the company and pari passu second charge on entire fixed assets of the Company. Working capital facilities from The Federal Bank Ltd, RBL Bank and Axis Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Director to the extent of limit sanctioned.</p> <p>Working Capital facilities from Banks are repayable on demand and carries interest rates varying from 11% to 13% p.a. Packing credit in Foreign Currency is repayable on demand and carries interest LIBOR plus 250 bps. to LIBOR plus 300 bps.</p> | | | |
| 2.07 | TRADE PAYABLES | | |
| | Total Outstanding due of micro enterprises and small enterprises | - | - |
| | Total Outstanding due of creditors other than micro enterprises and small enterprises | 10,53,71,766 | 13,80,09,234 |
| | Total | 10,53,71,766 | 13,80,09,234 |
| 2.08 | OTHER CURRENT LIABILITIES | | |
| | Current maturities of Long term Borrowings (Refer Note No. 2.03) | 5,55,07,669 | 7,15,71,033 |
| | Interest accrued but not due | - | - |
| | Accrued Employee benefits | 25,71,314 | 28,26,785 |
| | Dues to Government Authorities | 33,45,663 | 26,56,881 |
| | Other Liabilities | 54,79,913 | 55,29,796 |
| | Total | 6,69,04,559 | 8,25,84,495 |
| 2.09 | SHORT TERM PROVISIONS | | |
| | Gratuity Payable | - | 1,25,000 |
| | Tax Provision for the year | - | 29,01,722 |
| | Total | - | 30,26,722 |

2.10 FIXED ASSETS

| S. No. | Particulars | GROSS BLOCK | | | | DEPRECIATION AND AMORTISATION | | | | Net Block | | |
|--------|--|-----------------------|------------------|-----------|-----------------------|-------------------------------|--------------------|-----------|-------------------------------|---------------------|---------------------|---------------------|
| | | Cost As on 01.04.2017 | Additions | Deletions | Cost As on 30.09.2017 | Upto 01.04.2017 | For the year | Withdrawn | Adjusted in Reserve / P&L A/c | Upto 30.09.2017 | WDV as on 30.09.17 | WDV as on 31.03.17 |
| 1 | Land | 1,80,64,060 | - | - | 1,80,64,060 | - | - | - | - | - | 1,80,64,060 | 1,80,64,060 |
| 2 | Buildings: | | | | | | | | | | | |
| | Non-Factory Buildings (RCC) | - | - | - | - | - | - | - | - | - | - | - |
| | Non-Factory Buildings (Other than RCC) | - | - | - | - | - | - | - | - | - | - | - |
| | Factory Buildings (RCC & Non-RCC) | 6,56,14,876 | 5,71,457 | - | 6,61,86,333 | 2,26,98,445 | 10,26,102 | - | - | 2,37,24,547 | 4,24,61,787 | 4,29,16,432 |
| | Fences, Wells, Tube wells | 16,62,346 | - | - | 16,62,346 | 15,77,059 | 2,168 | - | - | 15,79,227 | 83,119 | 85,287 |
| | Temporary Structure, etc | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Plant and Machineries: | | | | | | | | | | | |
| | Plant and Machineries (Special) | 70,95,76,721 | 19,36,085 | - | 71,15,12,806 | 32,43,31,307 | 1,60,39,965 | - | - | 34,03,71,272 | 37,11,41,534 | 38,52,45,414 |
| | Plant and Machineries (General) | - | - | - | - | - | - | - | - | - | - | - |
| 3 | Furniture and Fittings | 11,03,651 | - | - | 11,03,651 | 7,85,326 | 29,527 | - | 0 | 8,14,854 | 2,88,797 | 3,18,324 |
| 4 | Motor Vehicles: | | | | | | | | | | | |
| | Two Wheelers | 1,49,167 | - | - | 1,49,167 | 1,41,709 | - | - | 0 | 1,41,709 | 7,458 | 7,458 |
| | Lorries (Running on hire) | - | - | - | - | - | - | - | - | - | - | - |
| | Lorries (Other than running on hire) | 19,35,000 | - | - | 19,35,000 | 7,60,865 | 1,16,042 | - | - | 8,76,907 | 10,58,093 | 11,74,135 |
| | Motor Cars (Own use) | 1,50,51,547 | - | - | 1,50,51,547 | 56,73,629 | 9,09,795 | - | - | 65,83,424 | 84,68,123 | 93,77,918 |
| 5 | Office Equipments | 28,07,653 | - | - | 28,07,653 | 24,53,762 | 64,841 | - | (1) | 25,18,602 | 2,89,050 | 3,53,891 |
| 6 | Computers and Data Processing Units: | | | | | | | | | | | |
| | Servers and Networks | - | - | - | - | - | - | - | - | - | - | - |
| | Computers, Printers,, UPS, etc. | 24,44,644 | - | - | 24,44,644 | 21,73,637 | 42,278 | - | - | 22,15,915 | 2,28,729 | 2,71,007 |
| 7 | Lab Equipments | 6,55,404 | - | - | 6,55,404 | 5,70,170 | 7,215 | - | (0) | 5,77,385 | 78,019 | 85,234 |
| 8 | Electrical Installations | 31,97,785 | - | - | 31,97,785 | 30,37,833 | - | - | (1) | 30,37,832 | 1,59,953 | 1,59,952 |
| | Intangible assets: | | | | | | | | | | | |
| 9 | Computer Software | - | - | - | - | - | - | - | - | - | - | - |
| | Others | 3,03,01,661 | - | - | 3,03,01,661 | 1,56,75,044 | 10,96,333 | - | - | 1,67,71,377 | 1,35,30,284 | 1,46,26,617 |
| 10 | Capital Work in Progress | 87,77,112 | - | - | 87,77,112 | - | - | - | - | - | 87,77,112 | 87,77,112 |
| 11 | Intangible assets Under Developments: | | | | | | | | | | | |
| | Developments: | 36,32,416 | - | - | 36,32,416 | - | - | - | - | - | 36,32,416 | 36,32,416 |
| | Total | 86,49,74,042 | 25,07,542 | - | 86,74,81,584 | 37,98,78,787 | 1,93,34,266 | - | (1) | 39,92,13,052 | 46,82,68,532 | 48,50,95,255 |
| | Previous year figures | 82,77,05,840 | 3,72,68,202 | - | 86,49,74,042 | 34,24,59,028 | 3,74,19,754 | - | 2 | 37,98,78,784 | 48,50,95,258 | 48,52,46,812 |

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|--------------|---|----------------------|---------------------|
| 2.11 | NON-CURRENT INVESTMENTS | | |
| | Trade Investments - Unquoted Fully paid up at cost | | |
| 1 | In Equity Shares - 400 Vimla Infrastructure India Pvt Ltd. of Rs.10/- each (Extent of Holding - 0.8 %) | 40,000 | 40,000 |
| 2 | In Equity Shares of Associate - Sree Mahalakshmi“Smelters (P) Ltd 49 % holding | 3,54,76,130 | 3,54,76,130 |
| 3 | In Equity Shares of Joint Venture Company - Al Tamman Indsil Ferro chrome LLC of 23.38% | 21,20,70,753 | 21,20,70,753 |
| 4 | Shares in Indsil Energy Global (FZE) 100% Subsidiary | 25,72,500 | 25,72,500 |
| | Total | 25,01,59,383 | 25,01,59,383 |
| 2.12 | LONG TERM LOANS AND ADVANCES | | |
| | Unsecured considered good | | |
| | - MAT Credit Entitlement | 17,22,789 | 17,22,789 |
| | - Security Deposits | 5,76,93,364 | 4,42,00,480 |
| | - Other Loans & Advances | - | - |
| | - Rental Advances | 14,47,795 | 14,47,795 |
| | - Prepaid Expenses | - | - |
| | - Income Tax Receivables | 28,60,978 | 54,11,286 |
| | Total | 6,37,24,926 | 5,27,82,351 |
| 2.12a | CURRENT INVESTMENTS | | |
| | Investment in Mutual Funds | 60,00,000 | - |
| | Total | 60,00,000 | - |
| 2.13 | INVENTORIES | | |
| | Raw Materials and components (Valued at cost) | 96,02,39,974 | 85,11,50,962 |
| | Finished goods (Valued at lower of cost or net realisable value) | 8,30,73,293 | 10,42,85,231 |
| | Stores and spares (Valued at Cost) | 85,46,164 | 87,99,039 |
| | Total | 10,51,859,430 | 96,42,35,232 |
| 2.14 | TRADE RECEIVABLES | | |
| 1 | Trade receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | - |
| 2 | Trade receivables outstanding for a period less than six months from the date they are due for payment | | |
| | Secured, considered good | - | - |
| | Unsecured, considered good | 2,49,96,766 | 1,55,11,495 |
| | Total | 2,49,96,766 | 1,55,11,495 |
| 2.15 | CASH AND BANK BALANCES | | |
| | Cash and Cash Equivalents | | |
| a) | In Current Accounts | 1,31,40,406 | 47,58,930 |
| b) | Cash on hand | 14,33,551 | 4,39,283 |
| | Other Bank Balances | | |
| a) | Margin money | 1,88,03,779 | 1,63,56,178 |
| b) | Fixed Deposits | 29,77,579 | 29,77,579 |
| | Total | 3,63,55,315 | 2,45,31,970 |

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|---|---------------------|-----------------------|
| 2.16 | SHORT TERM LOANS AND ADVANCES | | |
| | Loans and advances | | |
| | Unsecured, considered good | | |
| | To Related Parties | | |
| | - Sree Mahalakshmi Smelters Pvt Ltd (Trade Advance) | 1,91,21,008 | 1,91,21,008 |
| | Others | | |
| | Advance For expenses | | |
| | Balance With Government Authorities | (8,73,755) | 3,19,84,018 |
| | Unsecured, considered good | | |
| | - Advance to Trade suppliers | (49,27,968) | 83,67,383 |
| | - Staff Advance | (8,54,178) | 4,94,936 |
| | Total | 1,24,65,107 | 5,99,67,344 |
| 2.17 | OTHER CURRENT ASSETS | | |
| | Export Incentives receivable | 1,02,27,226 | 2,87,02,749 |
| | Cenvat & Service tax Credit accrued | 85,20,636 | 74,75,399 |
| | Total | 1,87,47,862 | 3,61,78,148 |
| 2.18 | REVENUE FROM OPERATIONS | | |
| | Sale of Products: | | |
| | - Smelter | 84,02,16,378 | 1,32,03,65,699 |
| | - Power | 5,21,49,670 | 30,65,27,960 |
| | - Other Materials | 84,45,052 | 1,68,08,980 |
| | | 90,08,11,100 | 1,64,37,02,639 |
| | Interdivisional Sale of Power | (5,21,49,670) | (30,65,27,960) |
| | Other Operating Income | | |
| | Export Incentives | 98,37,616 | 2,04,41,389 |
| | Total | 85,84,99,046 | 1,35,76,16,068 |
| 2.19 | OTHER INCOME | | |
| | Interest Income | 33,12,880 | 75,49,420 |
| | Exchange Fluctuation | 76,01,416 | 1,72,62,539 |
| | Miscellaneous Income | 7,53,475 | 31,58,726 |
| | Interim Dividend Receipts | 1,32,00,000 | 3,48,24,338 |
| | Sale of Scrap | - | - |
| | Total | 2,48,67,771 | 6,27,95,023 |
| 2.20 | COST OF MATERIAL CONSUMED | | |
| | Manganese Ore | 9,90,97,392 | 26,59,14,383 |
| | Carbon reducers | 5,14,51,755 | 12,21,64,952 |
| | Quartz | 28,31,401 | 1,22,88,743 |
| | Carbon Paste | 55,51,301 | 2,50,92,719 |
| | Coal | 6,06,13,506 | 25,18,99,246 |
| | Others | 11,18,05,790 | 2,10,86,486 |
| | Total | 33,13,51,144 | 69,84,46,528 |

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2017

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|---|---------------------|---------------------|
| 2.21 | CHANGES IN INVENTORIES OF FINISHED GOODS | | |
| | Inventory at end of the Period | | |
| | Finished Goods | 8,30,73,293 | 10,42,85,231 |
| | Total | 8,30,73,293 | 10,42,85,231 |
| | Inventory at the beginning of the Period | | |
| | Finished Goods | 10,42,85,231 | 6,32,08,815 |
| | Total | 10,42,85,231 | 6,32,08,815 |
| | Changes In Inventories during the year | 2,12,11,938 | (4,10,76,416) |
| 2.22 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries and wages | 1,74,46,034 | 3,52,22,139 |
| | Contribution to provident Fund & other Funds | 6,88,035 | 19,24,591 |
| | Gratuity | - | 1,25,000 |
| | Staff welfare expenses | 8,58,107 | 36,75,245 |
| | Total | 1,89,92,177 | 4,09,46,975 |
| 2.23 | FINANCE COSTS | | |
| | Interest Expense | 4,70,26,245 | 9,29,29,388 |
| | Other Borrowing Cost | 43,56,714 | 1,17,94,283 |
| | Total | 5,13,82,958 | 10,47,23,671 |
| 2.25 | OTHER EXPENSE | | |
| | Communication Expenses | 3,62,136 | 8,01,198 |
| | Director's Remuneraiton | 3,55,000 | 4,35,000 |
| | Directors Sitting Fees | - | - |
| | Travelling and Conveyance | 25,17,008 | 58,39,551 |
| | Power & Fuel (Net) | 11,02,45,514 | 16,25,04,349 |
| | Packing, Freight & Forwarding | 1,30,08,690 | 3,77,17,013 |
| | Stores Materials Consumed | 89,14,709 | 1,96,08,998 |
| | Repairs & Maintanance : | | |
| | Plant & Machinery | 1,36,73,560 | 2,40,49,633 |
| | Buildings | 63,690 | 2,54,545 |
| | Others | 1,32,17,016 | 22,63,818 |
| | Vehicle Maintenance | 2,06,968 | 6,04,701 |
| | Security service charges | 9,95,734 | 28,07,128 |
| | Legal and Professional Consultancy Charges | 45,89,109 | 83,08,483 |
| | Stationery Expenses | 72,627 | 3,72,295 |
| | Auditors Remuneration | | |
| | For Audit | - | 4,20,000 |
| | For Taxation Matters | - | 53,000 |
| | Rent | 11,04,161 | 22,24,972 |
| | Licenses & Taxes | 12,24,291 | 24,68,941 |
| | Insurance charges | 10,22,718 | 29,06,399 |
| | Subscription | 97,478 | 73,000 |
| | Donation | 1,05,000 | 2,84,388 |
| | Selling Expenses | 51,17,751 | 61,97,078 |
| | Advertisement | (20,821) | 40,000 |
| | Exchange Fluctuation | 61,69,019 | 13,63,910 |
| | Miscellaneous Expenses | 18,41,738 | 80,04,710 |
| | Loss on Sale of Assets | - | - |
| | Total | 18,48,83,094 | 28,96,03,110 |

INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED

NOTES TO THE BALANCE SHEET

Amount in ₹

| Note No. | Particulars | 30.09.2017 | 31.03.2017 |
|-------------|--|---------------|-------------|
| 2.27 | EARNING PER SHARE | | |
| | Basic EPS : | | |
| | Net Profit after Tax | (1,02,01,535) | 79,60,811 |
| | Weighted average Number of Equity Shares | 2,43,78,389 | 2,07,70,155 |
| | Diluted EPS (₹) | (0.42) | 0.38 |
| | Basic EPS : | | |
| | Weighted average Number of Equity Shares | 2,43,78,389 | 2,07,70,155 |
| | Diluted EPS (₹) | (0.42) | 0.38 |

For and on behalf of the Board

Place : Coimbatore
Date : 30.11.2017**S.N.VARADARAJAN**
Director
(DIN: 00035693)**VINOD NARSIMAN**
Director
(DIN: 00035746)**P. KRISHNAVENI**
Company Secretary

This is an Abridged Prospectus containing information required to be disclosed as per Regulation 58(1) and Part D of Schedule VIII of SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2009.

THIS ABRIDGED PROSPECTUS CONTAINS 9 PAGES, PLEASE ENSURE THAT YOU HAVE RECEIVED ALL PAGES.



INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED

The Company (Corporate Identification Number U04010TZ1996PTC007421) was originally incorporated as a Public Limited Company under the name 'Indsil Energy Limited' under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated 21st day of August 1996, with the Registrar of Companies, Coimbatore, Tamil Nadu and obtained the Certificate of Commencement of Business on 27th September 1996. Subsequently, the name of Company was changed to 'Indsil Energy and Electrochemicals Limited' on 4th October 2002. Later the Company was converted into a Private Limited Company with effect from 16th December 2014. The Registered Office of the Company is situated at "Indsil House", Door No. 103-107, Tiruvenkataswamy Road West, R S Puram, Coimbatore – 641002, Tamil Nadu, India. The Company is engaged in the business of manufacture of manganese alloys and generation of electricity through thermal power plant.

Registered Office and Corporate Office: "Indsil House", Door No. 103-107, Tiruvenkataswamy Road West, R S Puram, Coimbatore – 641002, Tamil Nadu, India. Tel: 0422-4522922/23, Fax: 0422-4522925 Email: indsilho@indsil.com. Website: www.indsil.com

Contact Person: Krishnaveni P, Company Secretary & Compliance Officer, Tel: 0422-4522936, Fax: 0422-4522925, E-mail: secretarial@indsil.com

NAME OF THE PROMOTERS OF THE COMPANY: Mr.S.N.Varadarajan, Mr.Vinod Narsiman, Mrs.D.Pushpa Varadarajan, Mrs.Jayashree Vinod, Crosimn Agencies Private Limited, Indsil Hydro Power and Manganese Limited, Sunmet Holdings India Private Limited.

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS

There being no initial public offering or rights issue, the eligibility criteria of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations") does not become applicable.

The Board of Directors of the Company has proposed to amalgamate, M/s. Indsil Energy and Electrochemicals Private Limited ("Transferor Company") with M/s. Indsil Hydro Power and Manganese Limited ("Transferee Company") through a Scheme of Amalgamation pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013. Pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, the listed entity is required to furnish the applicable information pertaining to the unlisted entity involved in the scheme in the format prescribed for abridged prospectus as provided in Part D of Schedule VIII of SEBI (ICDR) Regulations, 2009 (as amended) and the same has to be annexed with the Notice or explanatory statement or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme.

Accordingly, our Company has submitted the Abridged Prospectus, containing information about itself, making disclosures in line with the disclosure requirement as stated in Part D of Schedule VIII of SEBI (ICDR) Regulations, 2009 (as amended) and in compliance with SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015.

LISTING

The Equity Shares of our Company are not proposed to be listed on any of the recognized stock exchange of India and this Abridged Prospectus is made for the purpose of disclosures in view of compliance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

However, the equity shares to be allotted in Indsil Hydro Power and Manganese Limited to the equity shareholders of Indsil Energy and Electrochemicals Private Limited pursuant to the Scheme of Amalgamation are proposed to be listed in BSE Limited, subject to the approval of the BSE Limited.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 88 of this Abridged Prospectus.

PRICE INFORMATION OF BOOK RUNNING LEAD MANAGERS

| Sr. No | Issue Name | Name of Merchant Banker | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|--------|---|-------------------------|---|---|--|
| 1 | NOT APPLICABLE (SINCE THERE IS NO INVITATION TO PUBLIC FOR SUBSCRIPTION BY WAY OF THIS ABRIDGED PROSPECTUS) | | | | |

GENERAL INFORMATION

The Company (Corporate Identification Number U04010TZ1996PTC007421) was originally incorporated as Public Limited Company under the name Indsil Energy Limited provisions of the Companies Act, 1956, vide certificate of incorporation dated 21st day of August 1996, with the Registrar of Companies, Tamil Nadu and obtained fresh certificate of commencement of Business on 27th September 1996. Subsequently, the name of company was changed to Indsil Energy and Electrochemicals Limited on 4th October 2002. Later the company was converted into private limited company with effect from 16th December 2014. Tel: 0422-4522922/23, Fax: 0422-4522925 Email: indsilho@indsil.com. Website: www.indsil.com.

Address of the Registered Office:

“Indsil House” Door No. 103-107, Tiruvnkataswamy Road West, R S Puram Coimbatore-641002 Tamil Nadu . Tel: 0422-4522922/23, Fax: 0422-4522925 Email: indsilho@indsil.com. Website: www.indsil.com.

Name of Statutory Auditors:

M/s. Raja & Raman, Chartered Accountants, 1055/11, Gowtham Centre, 1st Floor, Avinashi Road, Coimbatore - 641018, Tamil Nadu, India. Tel: 0422- 2246591, Email: rajaandraman@gmail.com.

PROMOTERS, PROMOTERS GROUP AND GROUP COMPANIES OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED
Details of our Promoters are as under:
1. Mr. S.N. Varadarajan

Mr. S.N. Varadarajan, aged about 72 years, son of Mr. S. Narasimhan, is a resident of No.239, Alagesan Road, Coimbatore-641011, Tamil Nadu, India. He is a Commerce Graduate from Madras University. He is the Founder Chairman of Indsil group, a ₹ 750 crore organization with business interests in power generation & manufacture of ferro alloys. He was awarded with the UDYOG PATRA award for his pioneering efforts in the development of indigenous smelting technology for the manufacture of ferro alloys. He is also a pioneer in development of indigenous process technology for the manufacture of Low Carbon Silico Manganese used in special steels. Further, he was a President of Kerala State HT & EHT Industrial Electricity Consumers Association in 1992/1993, Past Vice President, Indian Chamber of Commerce & Industry, Coimbatore and Past Senate Member, Bharathiyar University, Coimbatore.

2. Mr.Vinod Narsiman

Mr.Vinod Narsiman, aged about 45 years, son of Mr.S.N.Varadarajan, is a resident of No. 222/223, Alagesan Road, Coimbatore – 641011, Tamil Nadu, India. He has a B.E., (Mech.) from Mangalore University and MBA (Finance) from University of Michigan, Ann Arbor, Michigan, USA. He is the Managing Director of Indsil group, a ₹ 750 Crore organization with large interests in Power generation & Smelting Metallurgy.

3. Mrs. D.Pushpa Varadarajan

Mrs.D Pushpa Varadarajan, aged about 69 years, wife of Mr.S.N.Varadarajan, is a resident of 239, Alagesan Road, Coimbatore – 641011, Tamil Nadu, India. She has a Bachelors in Arts and has been the director since inception in Indsil Hydro Power and Manganese Limited.

4. Mrs.Jayashree Vinod

Mrs.Jayashree Vinod, aged about 45 years, wife of Mr.Vinod Narsiman, is a resident of No. 222/223, Alagesan Road, Coimbatore – 641011, Tamil Nadu, India. She has a Bachelors in Commerce from Bharathiar University. She is a director in one of the group companies

5. Indsil Hydro Power and Manganese Limited

Indsil Hydro Power and Manganese Limited was originally incorporated on 30th August 1990 under the Companies Act, 1956 under the name and style ‘Indsil Electrosmelts Limited’. Subsequently, the name of the Company was changed to its present name i.e., ‘Indsil Hydro Power and Manganese Limited’ on 18th December 2008. The Corporate Identity Number of Indsil Hydro Power and Manganese Limited is L27101TZ1990PLC002849. The Registered Office of the Company is situated at Indsil House, Door No:

103-107, Tiruvenkataswamy Road West, R S Puram, Coimbatore - 641002, Tamil Nadu, India. The Company is engaged in the business of manufacture of manganese alloys and hydro power generation.

6. Sunmet Holdings India Private Limited

Sunmet Holdings India Private Limited was originally incorporated on 21st August 1980 under the Companies Act, 1956 under the name and style 'Sun Metals and Alloys Limited'. Subsequently, the Company was converted into a Private Limited Company with effect from 27th April 1998. The name of the Company was later changed to SMA Holdings India Private Limited on 3rd January 2008. Subsequently, the name of the Company was again changed to its present name i.e. Sunmet Holdings India Private Limited on 21st January 2008. The Corporate Identity Number of Sunmet Holdings India Private Limited is U27106TZ1980PTC010578. The Registered Office of the Company is situated at "Indsil House", Door No.103-107, Thiruvankataswamy Road, West, R.S.Puram, Coimbatore – 641002, Tamil Nadu, India. The Company is engaged to carry on the business on dealing in securities and to undertake real estate activities.

7. Crosimn Agencies Private Limited

Crosimn Agencies Private Limited was originally incorporated on 15th July 1994 under the Companies Act, 1956 under the name and style 'Standard Silicon Private Limited'. Subsequently, the name of the Company was changed to its present name i.e., 'Crosimn Agencies Private Limited' on 25th January 1996. The Corporate Identity Number of Crosimn Agencies Private Limited is U51102TZ1994PTC005221. The Registered Office of the Company is situated at "Indsil House", 3rd Floor, T.V.Samy Road (West), R.S.Puram, Coimbatore – 641002, Tamil Nadu, India. The Company is engaged in the business of dealing in all kinds of silicones, silicates, silica and their alloys, compounds and constituents in/with other metallic and non-metallic substances and allied activities.

Group Companies of Indsil Energy and Electrochemicals Private Limited:

Pursuant to Item (IX) (C) (2) of Regulation 2 of Part A of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, financial information of following five largest Group Companies is given below:

(1) Indsil Hydro Power and Manganese Limited

- Date of Incorporation: 30th August 1990
- Nature of activities: The company is engaged in the business of manufacture of manganese alloys and hydro power generation.
- Highest and Lowest Market Price of shares during the preceding six months:

| | |
|------------------------------------|----------------------------------|
| Highest Market Price (In ₹) 159.50 | Lowest Market Price (In ₹) 65.55 |
|------------------------------------|----------------------------------|

- Financial Information:

(₹ in Lakh, except as stated)

| Parameter | As of March 31, 2017 (Audited) Standalone | As of March 31, 2016 (Audited) Standalone | As of June 30, 2015 (Audited) Standalone |
|--|--|--|---|
| Equity Capital | 1,588.68 | 1,588.68 | 1,588.68 |
| Reserves (Excluding revaluation reserve) | 8,339.53 | 8,229.65 | 7,925.52 |
| Total Income | 12,133.78 | 7,303.58 | 12,344.29 |
| Profit after tax | 236.98 | 399.44 | 1,214.67 |
| Earnings per share (Basic) | 1.49 | 2.51 | 7.65 |
| Earnings per share (Diluted) | 1.49 | 2.51 | 7.65 |
| Net asset value per share | 62.49 | 61.80 | 59.89 |

(2) Al Tamman Indsil Ferro Chrome LLC, Sultanate of Oman

- Date of Incorporation: 19th June 2010
- Nature of activities: The company is engaged in the business of manufacture of ferro chrome alloys
- Financial Information:

(In Omani Rial, except as stated)

| Parameter | As of December 31, 2016 (Audited) Standalone | As of December 31, 2015 (Audited) Standalone | As of December 31, 2014 (Audited) Standalone |
|--|---|---|---|
| Equity Capital | 47,62,746 | 47,62,746 | 47,62,746 |
| Reserves (Excluding revaluation reserve) | (36,83,441) | (39,08,484) | (39,87,650) |
| Total Income | 2,34,70,733 | 2,21,82,884 | 2,03,23,687 |
| Profit/ (Loss) after tax | 2,25,043 | 79,166 | -18,62,843 |
| Earnings per share (Basic) | 0.05 | 0.02 | (0.39) |
| Earnings per share (Diluted) | 0.05 | 0.02 | (0.39) |
| Net asset value per share | 0.23 | 0.18 | 0.16 |

(3) Sunmet Holdings India Private Limited

- Date of Incorporation: 21st August 1980
- Nature of activities: The Company is engaged in the business of real estate and holding of securities of other companies.
- Financial Information:

| Parameter | As of March 31, 2017 (Audited) Standalone | As of March 31, 2016 (Audited) Standalone | As of March 31, 2015 (Audited) Standalone |
|--|--|--|--|
| Equity Capital | 121.25 | 121.25 | 121.25 |
| Reserves (Excluding revaluation reserve) | 2881.99 | 2810.06 | 2590.15 |
| Net asset value per share | 247.69 | 241.76 | 223.62 |

(4) Sree Mahalakshmi Smelters Private Limited

- Date of Incorporation: 16th July 2008
- Nature of activities: The company is engaged in the business of manufacture of ferro alloys.
- Financial Information:

(₹ in Lakh, except as stated)

| Parameter | As of March 31, 2017 (Audited) Standalone | As of March 31, 2016 (Audited) Standalone | As of September 30, 2015 (Audited) Standalone |
|--|--|--|--|
| Equity Capital | 429.19 | 429.19 | 429.19 |
| Reserves (Excluding revaluation reserve) | (1,659.98) | (1,469.82) | (1,095.76) |
| Total Income | 77.23 | 864.86 | 2,569.16 |
| Profit/ (Loss) after tax | (190.17) | (396.04) | (316.23) |
| Earnings per share (Basic) | (4.43) | (9.23) | (7.37) |
| Earnings per share (Diluted) | (4.43) | (9.23) | (7.37) |
| Net asset value per share | (28.68) | (24.25) | (15.53) |

(5) Indsil Energy Global (FZE)

- Date of Incorporation: 10th July 2013
- Nature of activities: The company is engaged in the business of providing business consultancy services.
- Financial Information:

(In AED, except as stated)

| Parameter | As of April 30, 2017 (Audited) Standalone | As of April 30, 2016 (Audited) Standalone | As of April 30, 2015 (Audited) Standalone |
|--|--|--|--|
| Equity Capital | 1,50,000 | 1,50,000 | 1,50,000 |
| Reserves (Excluding revaluation reserve) | 11,21,627 | 10,85,453 | 2,58,584 |
| Total Income | 18,70,102 | 16,04,025 | 19,98,362 |
| Profit/ (Loss) after tax | 17,71,693 | 14,95,346 | 19,17,896 |
| Earnings per share (Basic) | 17,71,693 | 14,95,346 | 19,17,896 |
| Earnings per share (Diluted) | 17,71,693 | 14,95,346 | 19,17,896 |
| Net asset value per share | 12,71,627 | 12,35,453 | 4,08,584 |

(6) Indsil Agrocarb Private Limited

- Date of Incorporation: 27th December 2007
- Nature of activities: The company was engaged in the business of manufacturing activated carbon related purifiers from agro products and wastes and other types of agricultural produce.

c. Financial Information:

(₹ in Lakh, except as stated)

| Parameter | As of March 31, 2016 (Audited) Standalone | As of March 31, 2015 (Audited) Standalone | As of March 31, 2014 (Audited) Standalone |
|--|--|--|--|
| Equity Capital | 5.10 | 5.10 | 5.10 |
| Reserves (Excluding revaluation reserve) | (0.65) | (0.65) | - |
| Net asset value per share | 8.72 | 8.72 | 10.00 |

Note: The Company is under the process of striking off and the financial statements have been prepared only upto 31st March 2016.

BUSINESS MODEL/BUSINESS OVERVIEW

Indsil Energy and Electrochemicals Private Limited is a Company with focused business interests in the niche manganese alloy space. The Company operates an integrated manganese smelting plant in Raipur, Chhattisgarh where it manufactures a specialized alloy called low carbon silico manganese. The smelter is integrated with a captive, coal fired thermal power plant. The Company's products find use in specialty stainless steel applications across the globe.

Strengths:

- 1) Captive power plant with coal linkage to the tune of 50% of the plant requirements.
- 2) Technology to manufacture low carbon silico manganese which is available only with 2 producers in India and 6 producers across the globe.
- 3) Proximity to manganese ore mines located in Maharashtra and Madhya Pradesh including that belonging to MOIL Manganese Ore India Ltd.

Weaknesses:

- 1) Prices of Manganese are subject to cyclicity of the steel and stainless-steel industry as well as the fortunes of the global manganese ore industry.
- 2) The Power Plant is totally dependent on domestic coal. Due to logistical issues, it is not viable to use imported coal.

Opportunities:

- 1) Expansion of low carbon silico manganese capacity by harnessing its technology.
- 2) Expansion will be carried out in locations like the coastal areas of Andhra Pradesh to benefit from logistical advantages.

Threats:

- 1) Leakage of technology to competitors.

SUBSIDIARY COMPANIES

As on the date of this Abridged Prospectus, there are 2 subsidiaries namely, Indsil Energy Global (FZE) and Indsil Agrocab Private Limited. (Under the process of striking off).

The Company has also invested in Al-Tamman Indsil Ferro Chrome LLC, a Joint Venture Company in the Sultanate of Oman.

BOARD OF DIRECTORS OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED

The following table sets forth the details of the Board of Directors as on the date of Abridged Prospectus:

| Name | DIN | Date of appointment | Date of expiration of current term | Designation | Directorship in other Companies |
|-----------------|----------|---------------------|------------------------------------|-------------|---|
| S.N.Varadarajan | 00035693 | 21/08/1996 | Not Applicable | Director | <ol style="list-style-type: none"> 1. Sunmet Holdings India Private Limited 2. SNV Holdings Private Limited 3. Indsil Hydro Power and Manganese Limited 4. SNV Investments Private Limited 5. SNV Real Estate Private Limited 6. Sun Metals and Alloys Private Limited 7. Indsil Agrocab Private Limited |

| Name | DIN | Date of appointment | Date of expiration of current term | Designation | Directorship in other Companies |
|----------------|----------|---------------------|------------------------------------|-------------|--|
| Vinod Narsiman | 00035746 | 21/08/1996 | Not Applicable | Director | 1. Indsil Hydro Power and Manganese Limited 2. Sunmet Holdings India Private Limited 3. SNV Holdings Private Limited 4. SNV Real Estate Private Limited 5. Sun Metals and Alloys Private Limited 6. Indsil Agrocarb Private Limited |
| M.Kannan | 06642427 | 28/06/2013 | Not Applicable | Director | NIL |

Brief Profile of Directors:

Mr. S.N. Varadarajan

He is a Commerce Graduate from Madras University. He is the Founder Chairman of Indsil group, a ₹ 750 crore organization with business interests in power generation & manufacture of ferro alloys. He was awarded with the UDYOG PATRA award for his pioneering efforts in the development of indigenous smelting technology for the manufacture of ferro alloys. He is also a pioneer in development of indigenous process technology for the manufacture of Low Carbon Silico Manganese used in special steels.

Mr. Vinod Narsiman

He has a B.E. (Mech) from Mangalore University and MBA (Finance) from University of Michigan, Ann Arbor, Michigan, USA. He is the Managing Director of Indsil group, a ₹ 750 Crore organization with large interests in power generation & smelting metallurgy.

Mr. M. Kannan

Mr.M.Kannan, aged about 46 years, son of Mr.Mariappan, is a resident of House No.H-201, Ashoka Heights, Mova, Pandri, Raipur – 492004, Chhattisgarh, India. He is a professional with 24 years of extensive experience in production of ferro silicon, silico manganese (low, medium and high carbon) and ferro manganese in submerged arc furnace and low & medium carbon ferro manganese (thermit process)

ISSUE DETAILS/DETAILS OF SCHEME OF AMALGAMATION

PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION

The Scheme of Amalgamation proposes the amalgamation of M/s.Indsil Energy and Electrochemicals Private Limited (“Transferor Company”) with M/s.Indsil Hydro Power and Manganese Limited (“Transferee Company”) pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013. The Scheme of Amalgamation is expected to yield the following benefits:

- Enable consolidation of the business of both companies into one entity which will facilitate economies of scale, focused growth, operational efficiencies, business synergies and better supervision of the business of the group.
- Bring in a Thermal Power base which would effectively diversify the transferee’s risk in terms of dependence on monsoons for its power plant.
- Consolidation of a 50% stake in Al-Tamman Indsil Ferro Chrome LLC, a ferrochrome manufacturing Company located in the Sultanate of Oman and consolidation of other subsidiary companies.
- Result in a diversified power generation base and also regional diversification across Chattisgarh, Andhra Pradesh, Kerala and the Sultanate of Oman including diversification of products like Ferro Chrome, Low Carbon Silico Manganese and regular Silico Manganese.
- Pooling of resources (including manpower, management, administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- Strengthening financial position and increased leverage capacity of the merged entity
- Create long term value to the shareholders by unlocking value since the business and profits will accrue to a single entity.

BACKGROUND OF COMPANIES
SHAREHOLDING PATTERN

| Sr. No. | Particulars | Pre-Scheme of Amalgamation Number of shares | % holding of the paid-up capital |
|---------|---------------------------|---|----------------------------------|
| 1. | Promoter & Promoter Group | 2,16,07,776 | 88.63 |
| 2. | Public | 27,70,613 | 11.37 |
| | Total | 2,43,78,389 | 100.00 |

FINANCIAL INFORMATION OF INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED:
Standalone

(₹In Lakhs, except per share data)

| Particulars | Period ended 30 th September 2017 (Unaudited) | Year ended 31 st March 2017 (Audited) | Year ended 31 st March 2016 (Audited) | Yearended 31 st March 2015 (Audited) | Year ended 31 st March 2014 (Audited) | Year ended 30 th September 2012 (Audited) |
|--|--|--|--|---|--|--|
| Total income from operations (net) | 8584.99 | 13576.16 | 13198.71 | 12870.56 | 17292.83 | 12274.72 |
| Net Profit / (Loss) before tax and extraordinary items | (102.02) | 142.32 | (303.13) | 231.19 | 158.87 | 718.93 |
| Net Profit / (Loss) after tax and extraordinary items | (102.02) | 79.61 | (440.43) | 194.75 | 174.90 | 584.19 |
| Equity Share Capital | 487.57 | 415.40 | 389.63 | 389.63 | 389.63 | 389.63 |
| Reserves and Surplus | 7377.97 | 6227.15 | 5823.32 | 6407.06 | 6362.31 | 6187.40 |
| Net worth | 9365.54 | 8142.56 | 7712.95 | 8305.69 | 8260.94 | 6586.03 |
| Basic Earnings Per share (₹) | (0.42) | 0.38 | (11.30) | 5.00 | 4.49 | 14.99 |
| Diluted Earnings Per share (₹) | (0.42) | 0.38 | (11.30) | 5.00 | 4.49 | 14.99 |
| Return on net worth (%) | (1.09) | 0.98 | (5.71) | 2.35 | 2.12 | 8.87 |
| Net Asset Value Per Equity Share (₹) | 32.26 | 31.98 [^] | 159.46 | 174.67 | 173.52 | 165.22 |

Note: [^] The equity shares of the company were sub-divided from ₹10/- each to ₹2/- each during the year ended 31st March 2017

Consolidated

(₹ In Lakhs, except per share data)

| Particulars | Year ended 31 st March 2017 (Audited) | Year ended 31 st March 2016 (Audited) | Year ended 31 st March 2015 (Audited) |
|--|--|--|--|
| Total income from operations (net) | 23131.98 | 21837.97 | 20401.15 |
| Net Profit / (Loss) before tax and extraordinary items | 331.60 | (286.31) | (100.41) |
| Net Profit / (Loss) after tax and extraordinary items | 268.89 | (423.61) | (136.85) |
| Equity Share Capital | 415.40 | 389.63 | 389.63 |
| Reserves and Surplus | 4318.61 | 3889.50 | 5088.47 |
| Net worth | 6234.01 | 5779.13 | 6987.10 |
| Basic Earnings Per share (₹) | 1.29 | (10.87) | (3.51) |
| Diluted Earnings Per share (₹) | 1.29 | (10.87) | (3.51) |
| Return on net worth (%) | 4.31 | (7.33) | (1.96) |
| Net Asset Value Per Equity Share (₹) | 22.79 [^] | (109.83) | 140.81 |

Note: The Company has prepared consolidated financial statements only from the financial year ended 31st March 2015. The Company has not prepared consolidated financial statements for the period ended 30th September 2017 as the same is not mandatory.

[^] The equity shares of the company were sub-divided from ₹10/- each to ₹ 2/- each during the year ended 31st March 2017

INTERNAL RISK FACTORS

1. Supply of coal to the power plant
2. Electricity tariffs in Chhattisgarh Electricity Board
3. Market fluctuations for silico manganese
4. Market fluctuations for Manganese ore
5. Fortunes of the steel and stainless-steel industry

GENERAL RISK

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Abridged Prospectus, including the risks and uncertainties with respect to capital market, before making an investment in our Equity Shares. In making an investment decision, a prospective investor must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

LEGAL AND OTHER INFORMATION

A. Total number of outstanding litigations against the company and amount involved

The Company is involved in 3 outstanding litigations with Customs and Income Tax Authorities as on the date of this prospectus for an amount of ₹3,26,22,699/-.

B. Brief details of top 5 material outstanding litigations against the company and amount involved

| Sr. No. | Particulars | Litigation Filed By | Current Status | Amount Involved (In ₹) |
|---------|--|---------------------|---|------------------------|
| 1. | Customs Duty and Interest | Company | Appeal allowed in favour of the Company by CESTAT, Hyderabad vide CESTAT order No.A/ 31006-31046/2017 dated 22.06.2017. | 2,94,10,244 |
| 2. | Customs Duty and Interest | Company | | 31,48,725 |
| 3. | Income Tax relating to the assessment year 2015-16 | Company | Favorable order received from Commissioner of Income Tax-(Appeals) Coimbatore vide order no 117/16-17 dated 12.10.2017. | 63,730 |

C. Regulatory Action, if any – disciplinary action taken by SEBI or Stock Exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any

Securities and Exchange Board of India vide its Orders dated 12th November 2014 imposed a penalty on Sri.Vinod Narsiman, Sri.S.N.Varadarajan and Sunmet Holdings India Private Limited to the tune of Rs.12,00,000/-, Rs.2,00,000/- and Rs.2,00,000/- respectively under Section 15A (b) of the Securities and Exchange Board of India Act, 1992 for non-filing of returns under Regulation 13 of (Prohibition of Insider Trading) Regulations, 1992.

Other than the above, no other regulatory action has been taken by SEBI or Stock Exchanges against the Promoters / Group Companies in last 5 financial years. Further, there is no other outstanding action against the Promoters / Group Companies.

D. Brief details of outstanding criminal proceedings against Promoters:

There are no outstanding criminal proceedings against the promoters of the Company.



DECLARATION BY THE COMPANY

We hereby declare that all the relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the abridged prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under as the case may be. We further certify that all statements made in this Abridged Prospectus are true and correct.

**For and on behalf of the Board of Directors of
Indsil Energy and Electrochemicals Private Limited**

Place: Coimbatore
Date: 06.12.2017

**Sd/-
Vinod Narsiman
Director
DIN: 00035746**

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH

CA No. 204/CAA/2017

In the matter of Companies Act 18 of 2013

and

In the matter of Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013
of

Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited

Indsil Energy and Electrochemicals Private Limited,
represented by its Director Mr.Vinod Narsiman
having its registered office at 'Indsil House', Door No 103-107,
Tiruvankataswamy Road West, R S Puram, Coimbatore - 641002

First Applicant/
Transferor Company

AND

Indsil Hydro Power and Manganese Limited,
represented by its Company Secretary Mr.S.Mahadevan
having its registered office at 'Indsil House', Door No:103-107,
Tiruvankataswamy Road West, R S Puram, Coimbatore - 641002

Second Applicant/
Transferee Company

FORM NO. MGT - 11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]



INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED

Regd Office : "Indsil House", Door No.:103-107, Tiruvankatasamy Road (West), R.S.Puram, Coimbatore - 641 002

Ph : (+91/0)(422) 4522922 - 3 Fax : (+91/0) (422) 4522925

E-mail : indsilho@indsil.com

CIN : U04010TZ1996PTC007421

National Company Law Tribunal convened Meeting of the Secured Creditors on 27th January 2018

Name of the Secured Creditor :

Registered address :

Email ID :

I/We being the Secured Creditor of the above named Company, hereby appoint:

1) Name :
Address :
Email ID : Signature or failing him/her

2) Name :
Address :
Email ID : Signature or failing him/her

3) Name :
Address :
Email ID : Signature

Cut here

P.T.O

as my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the Tribunal convened Meeting of the Company to be held on Saturday the 27th day of January 2018 at 12.30 P.M. at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore-641018 and at any adjournment thereof in respect of such resolution as is indicated below:

| Sl. No. | Resolution | Optional | |
|---------|--|----------------------------------|---------------------------------------|
| | | I/We assent the resolution (FOR) | I/We dissent the resolution (AGAINST) |
| 1 | Approval of the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited (Transferor Company) with Indsil Hydro Power and Manganese Limited (Transferee Company) pursuant to Section 230 to 232 of the Companies Act, 2013 read with SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10 th March 2017 | <input type="checkbox"/> | <input type="checkbox"/> |

Signed this day of 20.....

Signature of Securd Creditor:

Signature of Proxy holder (s) :

Affix ₹1/-
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be a Secured Creditor of the Company.
6. No person shall be appointed as a proxy who is a minor.
7. For the resolution, explanatory statement and Notes please refer to the Notice of the NCLT convened meeting.
8. It is optional to put "✓" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
9. Please complete all details including details of Secured Creditor(s) in the above box before submission.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHENNAI BENCH

CA No. 204/CAA/2017

In the matter of Companies Act 18 of 2013

and

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of

Indsil Energy and Electrochemicals Private Limited with Indsil Hydro Power and Manganese Limited

Indsil Energy and Electrochemicals Private Limited,

represented by its Director Mr.Vinod Narsiman

having its registered office at 'Indsil House', Door No 103-107,

Tiruvenkataswamy Road West, R S Puram, Coimbatore - 641002

AND

Indsil Hydro Power and Manganese Limited,

represented by its Company Secretary Mr.S.Mahadevan

having its registered office at 'Indsil House', Door No:103-107,

Tiruvenkataswamy Road West, R S Puram, Coimbatore - 641002

First Applicant/
Transferor Company

Second Applicant/
Transferee Company



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E-mail : indsilho@indsil.com

CIN : U04010TZ1996PTC007421

National Company Law Tribunal convened Meeting of the Secured Creditors on 27th January 2018

Attendance Slip

| | |
|------------------------------|--|
| Name of the Secured Creditor | |
| Name of Proxy | |

I hereby record my/ our presence at the meeting of the Secured Creditors of Indsil Energy and Electrochemicals Private Limited, the Applicant Company, convened pursuant to the Order of the National Company Law Tribunal, Chennai Bench dated 15th December 2017, on Saturday the 27th day of January 2018 at 12.30 P.M. at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore - 641018, Tamil Nadu.

Secured Creditor's / Proxy's Signature

Note:

1. The Secured Creditors attending the meeting in person or by proxy or through authorized representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the meeting hall.
2. Secured Creditors who come to attend the meeting are requested to bring a copy of the Notice for reference at the meeting.



ARDRA CONVENTION CENTRE,
"KAANCHAN", NO.9, NORTH HUZUR ROAD, COIMBATORE-641018

