INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LTD

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 : U04010TZ1996PTC007421

The financial details of Transferor Company for the previous 3 years as per the audited statement of accounts:

Name of the Company: **INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LIMITED**

(Rs. in Crores)

Particulars	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15
Equity Paid up Capital	4.15	3.90	3.99
Preference Share Capital	15.00	15.00	15.00
Reserves and surplus	62.27	58.23	64.14
Carry forward losses	-	-	-
Net Worth	81.42	77.13	83.13
Miscellaneous Expenditure	-	-	-
Secured Loans	88.07	90.01	84.14
Unsecured Loans	-	-	-
Fixed Assets	48.51	48.52	50.69
Income from Operations	135.76	131.99	128.71
Total Income	142.04	137.01	134.72
Total Expenditure	140.62	140.04	132.41
Profit before Tax	1.42	(3.03)	2.31
Profit after Tax	0.80	(4.40)	2.01
Cash profit	4.54	(0.71)	5.85
EPS	^0.38	*(11.30)	*5.17
Book value	^31.98	*159.46	*170.89

Note:

* The book value and EPS for the financial year 2014-15 and 2015-16 is arrived at on the basis of the paid-up value per share of Rs.10/-.

^ The book value and EPS for the financial year 2016-17 is arrived at on the basis of the paid-up value per share of Rs.2/- consequent to sub-division of equity shares during the year.

For INDSIL ENERGY AND ELECTROCHEMICALS PRIVATE LTD

DIRECTOR

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

The financial details of Transferee Company for the previous 3 years as per the audited statement of accounts:

Name of the Company: **INDSIL HYDRO POWER AND MANGANESE LIMITED**

(Rs. in Crores)

Particulars	**As per last Audited Financial Year**	**1 year prior to the last Audited Financial Year (9 months)**	**2 years prior to the last Audited Financial Year (15 months)**
	2016-17	**2015-16**	**2014-15**
Equity Paid up Capital	15.89	15.89	15.89
Reserves and surplus	83.40	82.29	79.25
Carry forward losses	-	-	-
Net Worth	99.29	98.18	95.14
Miscellaneous Expenditure	-	-	-
Secured Loans	28.44	35.03	26.33
Unsecured Loans	-	-	-
Fixed Assets	32.32	34.78	37.60
Income from Operations	115.60	65.27	111.13
Total Income	121.34	73.04	123.44
Total Expenditure	119.04	68.44	108.44
Profit before Tax	2.30	4.59	15.01
Profit after Tax	2.37	3.99	12.15
Cash profit	6.76	7.25	16.42
EPS	1.49	2.51	7.65
Book value	62.49	61.80	59.89

Note:

The last Annual Report and the audited financials of the quarter ended 31st March 2017 along with the Audit Report has been annexed herewith.

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

26th annual report
2015 - 16

▲ Indsil Hydro Station Reservoir, Rajakkad, Idukki District, Kerala

Indsil Hydro Station Power House, Rajakkad, Idukki District, Kerala ▼

INDSIL

Indsil Hydro Power and Manganese Limited

INDSIL HYDRO POWER AND MANGANESE LIMITED

26TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2016

BOARD OF DIRECTORS

SRI B. BALCHAND
NON - EXECUTIVE CHAIRMAN

SRI S.N. VARADARAJAN
EXECUTIVE VICE - CHAIRMAN

SRI VINOD NARSIMAN
MANAGING DIRECTOR

SRI S. INDERCHAND

SMT. D. PUSHPA VARADARAJAN

SRI K.S. MAHADEVAN

DR. A.K. SREEDHARAN

DR. T.C.P. NAMBIAR

SRI. K. RAMAKRISHNAN

COMPANY SECRETARY

SRI S. MAHADEVAN

CHIEF FINANCIAL OFFICER

SRI R. MURALI

STATUTORY AUDITORS

M/S. RAJA & RAMAN
CHARTERED ACCOUNTANTS
1055/11, GOWTHAM CENTRE
1ST FLOOR, AVANASHI ROAD,
COIMBATORE 641 018 PHONE : 0422 2246591
email : rajaandraman@gmail.com

INTERNAL AUDITOR

SMT. K.R. DIVYA
CHARTERED ACCOUNTANT
No. 37, P.M.SAMY COLONY, 1st STREET, R.S.PURAM
COIMBATORE 641 002 Mob : 95974 00200
email : divyaramankr@yahoo.co.in

SECRETARIAL AUDITORS

KSR & Co COMPANY SECRETARIES LLP
INDUS CHAMBERS, GROUND FLOOR
NO. 101 GOVT. ARTS COLLEGE ROAD
COIMBATORE 641 018 Ph : 0422 2305676, 2302868
email : rirs@eth.net

REGISTRARS & SHARE TRANSFER AGENTS (PHYSICAL & DEMAT)

S.K.D.C CONSULTANTS LTD
"KANAPATHY TOWERS"
3rd FLOOR, 1391/A-1
SATHY ROAD
GANAPATHY
COIMBATORE 641 006
PHONE : 0422-6549995, 2539835/6
e-mail : info@skdc-consultants.com

BANKERS

STATE BANK OF TRAVANCORE
EXPORT IMPORT BANK OF INDIA
IDBI BANK LIMITED
YES BANK LIMITED
STANDARD CHARTERED BANK
THE FEDERAL BANK LIMITED

REGD. & CORPORATE OFFICE

"INDSIL HOUSE", T.V.SAMY ROAD (WEST)
R.S.PURAM, COIMBATORE 641 002

WORKS

SMELTER UNIT

VI-679 PALLATHERI, ELAPULLY
PALAKKAD 678 007, KERALA

RAJAKKAD HYDRO ELECTRIC POWER PLANT

VIII/351 RAJAKKAD, IDUKKI DISTRICT - 685 566
KERALA

SUBSIDIARY COMPANY

SREE MAHALAKSHMI SMELTERS PVT LTD
MERAKAMUDIDAM MANDALAM
GARBHAM 535 102, VIZIANAGARAM DIST (A.P)

JOINT VENTURE

AL-TAMMAN INDSIL FERRO CHROME LLC
CR.NO.1090488, P.O.BOX 592, AL HAMRIYA
POSTAL CODE 131, SULTANATE OF OMAN

WHOLLY OWNED SUBSIDIARY

INDSIL HYDRO GLOBAL (FZE)
SAIF LOUNGE, P.O. BOX 9049
SHARJAH AIRPORT INTERNATIONAL
FREE ZONE (SAIF) UAE

CONTENTS

NOTICE 03

BOARD OF DIRECTOR'S REPORT 12

REPORT ON CORPORATE GOVERNANCE 42

AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS 58

STANDALONE BALANCE SHEET 64

STANDALONE STATEMENT OF PROFIT AND LOSS 65

STANDALONE NOTES TO FINANCIAL STATEMENTS 66

STANDALONE CASH FLOW STATEMENT 83

STATEMENT PURSUANT TO SECTION 129 OF THE COMPANIES ACT, 2013 84

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS 86

CONSOLIDATED BALANCE SHEET 90

CONSOLIDATED STATEMENT OF PROFIT AND LOSS 91

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS 92

CONSOLIDATED CASH FLOW STATEMENT 104

NOTICE OF THE 26th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Company will be held at "The Indian Chamber of Commerce & Industry, Coimbatore", Chamber Towers, 8/732 Avanashi Road, Coimbatore 641 018 on Wednesday, the 14th day of September, 2016 at 10.00 A.M. to transact the following business:

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

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Annual Financial Statements including the Statement of Profit & Loss, Cash Flow Statement for the Financial Year ended 31st March, 2016, the Balance Sheet as at that date, the Reports of the Directors and the Report of the Auditors thereon.
2. To declare dividend on the equity shares.
3. To appoint a Director in place of Sri B. Balchand (DIN 00035878), who retires from Office by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sri K.S.Mahadevan (DIN 00043314), who retires from Office by rotation, and being eligible, offers himself for reappointment.
5. To appoint M/s Raja & Raman, Chartered Accountants, Coimbatore (Firm Registration No. 003382S) who have offered their services and who are not disqualified under Section 139 of the Companies Act, 2013 as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration plus service tax, out of pocket expenses, etc.,

SPECIAL BUSINESS

6. RATIFICATION OF REMUNERATION OF COST AUDITOR :

   To consider and if thought fit, to pass the following resolution as an ordinary resolution.

   "RESOLVED THAT pursuant to Section 148 (3) and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 (including any statutory amendments and modification(s) thereof, for the time being in force), the remuneration payable to Sri B. Venkateswar, Cost Auditor having Membership No: 27622 appointed by the Board of Directors of the Company to conduct the Cost Audit of the Company for the financial year 2016-17 amounting to ₹18,000/- (Rupees Eighteen Thousand Only) per annum excluding service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit be and is hereby ratified and confirmed".

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution."

7. **RELATED PARTY TRANSACTIONS**

   To consider and if thought fit to pass the following resolution as an ordinary resolution.

   "RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the provisions of Companies (Meetings of the Board and its Powers) Rules, 2014 and read with relevant circulars, notifications issued from time to time, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange and other provisions of Law as applicable for the time being, consent of the Members of the Company be and is hereby accorded to the Company for having entered into and for entering into transactions involving sale, purchase or supply of goods or materials and/or availing or rendering of any services and/or leasing of property of any kind with the following Companies during the financial year ending 31st March, 2017 and financial year 2017-18 as under:

For the financial year 2016-17 & 2017-18

Sl. No	Name of the Related Party	Nature of Transaction	Value of Transaction (2016-17)	Value of Transaction (2017-18)
1	Indsil Energy and Electrochemicals Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores.	Upto a maximum of ₹ 150 Crores.
2	Sree Mahalakshmi Smelters Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores	Upto a maximum of ₹ 150 Crores
3	Sree Mahalakshmi Smelters Private Limited	Leasing of land, building, plant & machinery and other fixed assets and hiring of staff and personnel.	Upto a maximum of ₹ 10 Crores	Upto a maximum of ₹ 10 Crores

" RESOLVED FURTHER THAT the limits mentioned above in respect of which approval is provided by the Company shall be construed to be over and above the threshold limits prescribed under Section 188 of the Companies Act, 2013 read with the provisions of Companies (Meetings of the Board and its Powers) Rules, 2014 and read with relevant circulars, notifications issued from time to time, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange and other provisions of Law as applicable for the financial year 2016-17 & 2017-18 seeking shareholders approval and accordingly, the Board of Directors, subject to the recommendation of the Audit Committee of the Board, be and is hereby empowered to approve transactions with the said related parties".

By Order of the Board
Sd/-
S.MAHADEVAN
Company Secretary.
FCS No. : 8653

Place : Coimbatore
Date : 5th August, 2016

NOTES FOR SHAREHOLDERS' ATTENTION:

1. **A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a shareholder of the Company. A person can act as proxy on behalf of the shareholders not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The proxy form should be lodged at the Registered Office of the Company at least 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.**

   Corporate shareholders are requested to send a duly certified Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the Annual General Meeting.

2. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration to those shareholders whose names appear:

a) As Beneficial owners as at the end of business hours on Wednesday, the 7th September, 2016 as per the list to be furnished by NSDL & CDSL in respect of the shares held in electronic form and

b) As shareholders appearing in the Register of Members of the Company after giving effect to all valid share transfers in physical form on or before Wednesday, the 7th September, 2016.

   The Register of Members and Share Transfer books of the Company will be closed from Thursday, the 8th September, 2016 to Wednesday, the 14th September, 2016 (both days inclusive).

3 Details in respect of Directors retiring by rotation are annexed.

4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules,2012, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 16th December, 2015 (date of last Annual General Meeting) in the website of the Company (www.indsil.com).

   Information in respect of unclaimed dividends, when due, for transfer to the Investor Education and Protection Fund (IEPF) are given below:

Sl. No.	For the financial year ended	Percentage of dividend (in %)	Date of declaration	Due date for transfer to the Investor Education and Protection Fund
1	30th June, 2009	10%	21.12.2009	28.01.2017
2.	30th June, 2010	15%	06.10.2010	05.11.2018
3.	30th June, 2011	10%	14.12.2011	18.01.2019
4.	30th June, 2012	10%	17.12.2012	18.01.2020
5.	30th June, 2013	5%	13.12.2013	18.01.2021
6.	30th June, 2014	12%	19.12.2014	05.02.2022
7.	30th June, 2015	12%	16.12.2015	02.02.2023

   The Shareholders who have not encashed the aforesaid dividends are requested to make their claims to the Company Secretary, Secretarial Department, Indsil Hydro Power and Manganese Limited, Indsil House, T.V.Samy Road (West), R.S.Puram, Coimbatore, Tamil Nadu - 641 002 email: mahadevan@indsil.com & indsilho@indsil.com as early as possible .

   The Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service ("ECS") facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the account of the shareholders, elimination of loss of instrument in transit and fraudulent encashment etc.

In view of this provision,

i. Shareholders holding shares in physical form and desirous of availing the facility are requested to complete ECS form attached to this Annual Report and forward the same to the Company's Registrars and Share Transfer Agents S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com.

ii. Shareholders holding shares in dematerialized form are requested to provide the Bank details to the Depository Participants for incorporation in their records.

6. Shareholders holding shares in physical form are requested to notify change in their addresses, if any, to the Registrars & Share Transfer Agents of the Company and Shareholders holding shares in dematerialised form are requested to notify change in their addresses to their respective Depository Participants.

7. Shareholders are requested to bring their copy of the Annual Report to the Annual General Meeting. No fresh copies will be issued at the Meeting.

8. Shareholders holding shares in physical form who have not yet given their bank's name, address and account number are requested to furnish the same to the Registrars & Share Transfer Agents of the Company, M/s S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com

9. The equity shares of the Company are listed on The Bombay Stock Exchange Ltd. The Annual Listing fee has been paid upto date to the above said Exchange.

10. Shareholders who have multiple accounts in identical names or joint accounts in same order are requested to send all their share certificates to the Registrars & Share Transfer Agents of the Company for consolidation of all such shareholdings into one account to facilitate better service.

11. For the convenience of the Shareholders, an attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided and hand over the attendance slip at the place of the meeting.

12. Relevant documents covering the resolutions proposed in the Notice of the AGM are open for inspection at the Registered Office of the Company during Office hours (9.30 A.M to 5.30 P.M) on all working days except holidays before the date of the AGM.

13. Shareholders seeking any information with regard to the accounts are requested to write to the Company seven days prior to the date of the AGM so as to enable the Management to keep the information ready.

14. Equity shares of the Company have been placed under Compulsory De-mat Trading. Shareholders who have not de-materialized their physical holding in the Company are advised to avail the facility of dematerialisation of equity shares of the Company.

15. The ISIN of the equity shares of your Company is INE867D01018.

16. The Ministry of Corporate Affairs (vide Circular Nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a "Green Initiative in Corporate Governance" and allowed Companies to share documents with its shareholders through an electronic mode. Electronic mode of dispatch of Annual Reports and notice has also been enabled under the Companies Act, 2013. Shareholders are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com

17. The soft copy of the Annual Report has been sent to the e-mail addresses registered with the respective Depository Participants of the shareholders or with the Company and where such e-mail addresses are not available, physical form of Annual Reports are sent to the registered addresses of the concerned shareholders by Registered Parcel.

18. Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders are requested to file Nomination Forms in respect of their shareholdings. Any shareholder desiring to avail this facility may submit to the Company's Registrars & Share Transfer Agents, the prescribed Statutory Form SH-13. Should any assistance be desired, shareholders should get in touch with the Company's Registrars & Share Transfer Agents.

19. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules made thereunder, the Shareholders are provided with the facility to cast their votes electronically, through the e-voting services provided by CDSL on all resolutions set forth in this Notice.

Voting through electronic means :

(a) In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called the "Rules") for the purpose of this Section of this Notice and Regulations 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 facility is provided to the shareholders for exercising e-Voting through Central Depository Services (India) Ltd., (hereinafter referred to "CDSL") to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 26th Annual General Meeting to the shareholders holding shares as on Wednesday, the 7th September, 2016 (end of the day) being cut off date fixed for determining voting rights of shareholders, entitled to participate in e-voting platform prescribed by CDSL. Accordingly, a shareholder may exercise his/her vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The facility for voting through ballot paper will be available at the meeting and the shareholders attending the meeting, who have not already cast their votes by e-voting shall be able to exercise their right at the meeting through ballot paper. Shareholders who have cast their votes by e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their votes again.

(b) The e-voting period starts at 9.00 A M on Sunday, the 11th, September, 2016 and ends at 5.00 P M on Tuesday , the 13th September, 2016. During this period, the shareholders holding shares either in physical form or in dematerialized form as on the cut off date viz Wednesday, the 7th September, 2016, may cast their votes electronically. The e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the shareholder, he / she will not be allowed to change it subsequently.

Voting at the Annual General Meeting

Voting by poll will be made available at the venue of the Annual General Meeting to enable the shareholders to vote. Shareholders who have already exercised their votes through remote e-voting will not be eligible to vote again in the Annual General Meeting.

Instructions for the shareholders voting electronically are as under:

In case of shareholders receiving mail.

(I) The voting period begins on September 11, 2016 at 9.00 A.M and ends on September 13, 2016 at 5.00 P.M. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 7, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" tab

(v) Now enter your User ID

a. For CDSL : 16 digits beneficiary ID

b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID.

c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged onto www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user, follow the steps given below :

For shareholders holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number printed on the Attendance Slip cum Proxy Form in the PAN field.
Date of Birth	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. # Please enter the Date of Birth or Dividend Bank Details in order to log in. If the details are not recorded with the depository or Company, please enter the number of shares held by you as on the cut-off date ie. Wednesday, the 7th September 2016 in the Dividend Bank details field.

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then reach directly the Company selection screen. However, shareholders holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for INDSIL HYDRO POWER AND MANGANESE LIMITED.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) **Note to Institutional shareholders**

- Institutional shareholders (ie., other than individuals, HUF, NRI etc.,) are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
- After receiving the login details, they have to create an user ID which would enable them to link the resolutions which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of the shareholders receiving physical copy

A. Please follow steps from Sl. No. (i) to Sl. No. (xvi)

B. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or you can contact Sri S Mahadevan, Company Secretary, Indsil Hydro Power and Manganese Ltd at 0422-4522922 or mail to email ID mahadevan@indsil.com.

C. (i) A copy of this notice has been placed on the website of the Company and the website of CDSL.

(ii) The scrutinizer, after scrutinizing the votes cast at the meeting (Polling by ballot) and through remote e-voting, will not later than two days of conclusion of the Annual General Meeting, make a consolidated scrutinizer's report and submit the same to the Executive Vice-Chairman or Managing Director of the Company.

(iii) The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.indsil.com and on the website of CDSL and shall simultaneously be communicated to the Stock Exchange(s).

Other Instructions :

i. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on Wednesday, the 7th September, 2016.

ii. Sri C.V.Madhusudhanan, B.Sc.,BL.,FCS, Partner (Membership No. FCS 5367, CP 4408) or failing him Dr. K.S.Ravichandran, M.Com.,LLB.,FCS.,Ph.D, Partner (Membership No. FCS 3675, CP 2160), KSR & Co, Company Secretaries LLP, 101 "Indus Chambers", Government Arts College Road, Coimbatore 641 018 has been appointed as the Scrutinizer to scrutinize the e-voting process / ballot forms in a fair and transparent manner.

By Order of the Board
Sd/-
S.MAHADEVAN
Company Secretary.
FCS No. 8653

Place : Coimbatore
Date : 5th August, 2016

26th AGM HALL ROUTE MAP

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 6

Sri. B. Venkateswar, Cost Accountant in Practice, Coimbatore was appointed as Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2016-17 at a remuneration of ₹ 18,000/- per annum plus service tax and out of pocket expenses. The appointment was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors of the Company at its meeting held on 26th May, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules,2014, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders of the Company.

The Board of Directors of your Company recommend the proposed ordinary resolution concerning ratification of remuneration payable to the Cost Auditor Sri. B.Venkateswar, Cost Accountant for approval of the Shareholders.

None of the Directors / Key Managerial Personnel (KMPs) of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 7

Related Party Transactions that were entered into by the Company do not require any compliance under Sub-section (1) of Section 188 of the Act read with relevant Rules for the simple reason that they are in the ordinary course of business and also on arms length basis.

Clause 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all material related party transactions shall require approval of the shareholders through an ordinary resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Materiality is decided based on transactions (cumulative) with the related party transactions exceeding 10% of the annual consolidated turnover as at the end of the financial year 2015-16 which ended on 31st March, 2016 and for the year 2016-17.

Particulars of all these transactions have been disclosed in the financial statements and recorded in the "Register of Contracts" and have been previously approved by the Audit Committee as well. The actual value of these transactions in a financial year may vary depending on business achieved by the Company and is directly proportional to the business.

Transactions entered into between the Company and Indsil Energy and Electrochemicals Private Limited (IEEC) and also Sree Mahalakshmi Smelters Private Limited (SMS) were not material during the financial year ended 31st March, 2016.

The resolution proposed is in respect of the related party transactions that are entered into and proposed to be entered into for the financial year 2016-17 and proposed to be entered into for the financial year 2017-18.

Opportunity is also taken in the said resolution to seek shareholders' approval to enable the Company for lease of the plant & machinery and the related land on which the plant & machinery is installed in its Subsidiary M/s Sree Mahalakshmi Smelters Private Limited. The said lease would be for a fixed fee of ₹ 5 Lakhs per month or such other sum as may be mutually agreed between the Company and its Subsidiary and the variable component that may be mutually decided at the end of every 6 months between the Company and its Subsidiary M/s Sree Mahalakshmi Smelters Private Limited.

Sri S.N.Varadarajan, Sri Vinod Narsiman and Smt D.Pushpa Varadarajan being Directors of Indsil Energy and Electrochemicals Private Limited are deemed to be interested in the transactions with Indsil Energy and Electrochemicals Private Limited.

The details of such Related Party Transactions are :

For the financial year 2016-17 & 2017-18

Sl. No	Name of the Related Party	Nature of Transaction	Value of Transaction (2016-17)	Value of Transaction (2017-18)
1	Indsil Energy and Electrochemicals Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores.	Upto a maximum of ₹ 150 Crores.
2	Sree Mahalakshmi Smelters Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores	Upto a maximum of ₹ 150 Crores
3	Sree Mahalakshmi Smelters Private Limited	Leasing of land, building, plant & machinery and other fixed assets and hiring of staff and personnel.	Upto a maximum of ₹ 10 Crores	Upto a maximum of ₹ 10 Crores

Directors of the Company have no personal pecuniary interest in these transactions. Shareholders may please note that the Regulations have disentitled all related party shareholders from exercising their voting rights in relation to this resolution. The Board recommends the passing of the resolution as stated in the Notice.

By Order of the Board
Sd/-
S.MAHADEVAN
Company Secretary.
FCS No. : 8653

Place : Coimbatore
Date : 5th August, 2016

Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of the Directors seeking re-appointment at the forthcoming Annual General Meeting are provided as under :

(Annexure to Item Nos. 3 & 4 of the Notice in detail).

Name	Sri B. Balchand	Sri K.S. Mahadevan
DIN	00035878	00043314
Date of Birth	23.02.1945	30.06.1948
Date of Appointment	30.09.1992	27.06.1995
Qualification	Senior Cambridge, Ooty	Pre-Degree Course
Area of experience	Sri B.Balchand is a reputed businessman of Coimbatore Region with considerable contacts among business communities. He is the Non - Executive Chairman of the Company.	Sri K.S.Mahadevan is a reputed businessman of Erode Region with considerable contacts among business communities.
Disclosure of relationships between Directors inter-se	No relationship between Directors inter-se.	No relationship between Directors inter-se
List of Directorships held in other Indian Companies	1) Mahaveers Saree Private Limited 2) Sarmangal Synthetics Private Limited 3) Sri Kedar Properties Private Limited 4) Sarmangal Properties Private Limited	1) Mothi Garments (India) Private Limited 2) Erode Pharma Private Limited
Number of Membership in other Committees	Nomination and Remuneration Committee - Member	Nil
Number of Shares held in the Company	66,666	93,000

ANNOUNCEMENT OF RESULT OF E-VOTING / VOTING BY BALLOT

The result of remote e-voting and voting by Ballot at the Annual General Meeting will be announced at the Registered Office of the Company by the Executive Vice-Chairman or Managing Director of the Company or by a person authorized by him within 48 hours of conclusion of the Annual General Meeting.

A copy of the same will be posted in the Company's website www.indsil.com and a copy will be forwarded to Bombay Stock Exchange where the Company's shares are listed.

By Order of the Board
Sd/-
S.MAHADEVAN
Company Secretary
FCS No. : 8653

Place : Coimbatore
Date : 5th August, 2016

BOARD OF DIRECTORS' REPORT TO SHAREHOLDERS :

Dear Shareholders,

The Board of Directors of your Company are pleased to present the 26th Annual Report on the business of the Company along with the Audited Financial Statements of the Company for the year ended 31st March, 2016.

THE FINANCIAL PERFORMANCE

During the period under review, the Company has achieved, on standalone basis, revenue of ₹ 7304 Lakhs and net profit of ₹ 399 Lakhs. During the same period, the Company, on consolidated basis, has achieved revenue of ₹ 18092 Lakhs and net profit of ₹ 66 Lakhs.

FINANCIAL RESULTS :

(for 9 months from 1st July, 2015 to 31st March, 2016)

A. STANDALONE

The Standalone performance for the Financial Year ended 31st March, 2016 is as under:

The Financial Summary

₹ in Lakhs

Sl. No.	Particulars	Current Year 2015-16 (for 9 months)	Previous Year 2014-15 (for 12 months)
1.	Revenue from Operations	7304	12344
2.	Operating Expenses	(6519)	(10416)
3.	Gross Profit	785	1928
4.	Depreciation	(326)	(427)
5.	Profit Before Tax	459	1501
6.	Provision for Tax	(60)	(286)
7.	Net Profit after Tax	399	1215
8.	Dividend	(95)	(191)
9.	Tax on Dividend	Nil	38
10.	Carried to Profit & Loss A/c	304	1062

B. CONSOLIDATED:

The Consolidated performance for the Financial Year ended 31st March, 2016 is as under:

The Financial Summary

₹ in Lakhs

Sl. No.	Particulars	2015-16 (for 9 months)	2014-15 (for 12 months)
1.	Revenue from Operations	18092	24296
2.	Operating Expenses	(17064)	(22811)
3.	Gross Profit	1028	1485
4.	Depreciation	(903)	(931)
5.	Profit Before Tax	125	554
6.	Provision for Tax	60	105
7.	Net Profit after Tax	66	659
8.	Dividend	(95)	(191)
9.	Tax on Dividend	Nil	38
10.	Carried to Profit & Loss A/c	(29)	506

DIVIDEND & RESERVES :

The Board recommends a dividend of ₹ 0.60 per equity share of ₹ 10/- per share (6%) on the Equity Share Capital of ₹ 15,88,67,920/- for the Financial Year ended 31st March, 2016 (for the period of 9 months under review) aggregating ₹ 95,32,075/- (on annualized basis this dividend works out to 8%). The total dividend payout works out to 23.86% of the net profit of the Standalone results. The dividend on equity shares is subject to the approval of the shareholders in the Annual General Meeting. The dividend, if approved, will be payable to those shareholders whose names appear in the Register of Members as on Wednesday, the 7th September, 2016 the date fixed for the purpose.

In terms of the Companies Act, any unclaimed or unpaid dividend relating to the financial year 2008-09, is due for transfer on 28th January, 2017 to the Investor Education and Protection Fund established by the Central Government.

The Company does not propose to transfer any amount to the General Reserves for the financial year ended 31st March, 2016.

STATE OF AFFAIRS

OPERATIONS :

During the year under review (for 9 months), the Company has achieved a turnover of ₹ 7304 Lakhs (2014-15 : ₹ 12,344 Lakhs) resulting in a Profit before tax of ₹ 459 Lakhs.

The year under review saw comparatively poor monsoon cycles which resulted in lower generation of power of 26.85 million units (9 months) as against 50.53 million units (12 months) during the previous year.

The Company undertook shut down for long maintenance work during the last quarter of the year under review which further deteriorated the performance of the smelting division. Apart from the above, the year under review reflects a 9 months working performance compared to that of 12 months during the previous years.

FUTURE PROSPECTS:

The outlook and future prospects of the Company are presented in the "Management Discussion and Analysis Report" forming part of this Report.

RENEWABLE ENERGY CERTIFICATES (REC) :

The Central Electricity Regulatory Commission has unfortunately withdrawn the eligibility of RE status to all captive power plants that commenced before 2010. Therefore, from 1st April, 2016, your Company will no longer be eligible for REC Certificates and this will result in a deterioration of power price realization to the tune of ₹ 1.5 per kwhr.

AL-TAMMAN INDSIL FERROCHROME LLC (ATIFC) - JOINT VENTURE COMPANY

Ferro Chrome markets during the past year have exhibited the same trends as that of manganese alloy markets. The global steel and stainless steel recession took its toll on the ferro chrome industry as well. However, due to certain inherent cost advantages that ATIFC possesses, it managed to break even during the year 2015 and post a negligible profit as well. The second half of the year 2016 is looking extremely good for ATIFC since ferro chrome demand and price realization has improved considerably. The year 2016 is expected to witness a reasonable profit figure from the Joint Venture.

SREE MAHALAKSHMI SMELTERS (P) LTD (SMS) - SUBSIDIARY OF THE COMPANY

Due to recessionary trends in manganese alloy industry and a very high power charges, the Company was forced to shut down its smelting operations in May 2015. Smelting operations has not resumed yet. However, the Andhra Pradesh Government has come out with a policy measure to boost manufacturing sentiments in the State. This policy measure entails reduction in power charges which if effected in the form of lower electricity cost to the Company on a monthly basis, will prove to be a boost and a strong case for reopening of the smelting division. In such an event, your Company plans to take on lease the smelting plant of Sree Mahalakshmi Smelters Private Limited and operate that plant to produce silico manganese or ferro chrome production as the case may be. However, the said Company did not have operations for major part of financial year 2015-16 and hence it is not a material subsidiary for the financial year 2016-17.

INDSIL HYDRO GLOBAL FZE, SHARJAH AIRPORT INTERNATIONAL FREEZONE (WHOLLY OWNED SUBSIDIARY)

The consolidated financial results incorporating the financial statement of the Wholly Owned Subsidiary, Indsil Hydro Global FZE is attached to the Annual Report as required under the Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

DISCLOSURE ON SUBSIDIARY / JOINT VENTURE

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Subsidiary Company / Joint Venture is attached (Form AOC-1) to this Report along with the financials (Annexure-1). No other Company has become Subsidiary, Associate or Joint Venture Company during the financial year 2015-16.

CONSOLIDATED FINANCIAL STATEMENTS :

The consolidated financial statements by consolidating the accounts of the Company, Sree Mahalakshmi Smelters Private Limited (Subsidiary of the Company), Al-Tamman Indsil Ferro Chrome LLC, Sultanate of Oman (the JV) and Indsil Hydro Global FZE, Sharjah Airport International Freezone (Wholly Owned Subsidiary of the Company) under the Accounting Standards 21 issued by the Institute of Chartered Accountants of India forms part of this Annual Report.

CHANGE OF FINANCIAL YEAR

The Board of Directors, at its meeting held on 17th August, 2015, approved alignment of financial year of the Company to 31st March every year as required by Companies Act, 2013. The same was also informed to Bombay Stock Exchange Ltd and requisite Form MGT-14 was filed with the Ministry of Corporate Affairs.

Therefore, this financial year under review of the Company is for a period of 9 months from 1st July, 2015 to 31st March, 2016 and thereafter each financial year will be for 12 months from 1st April to 31st March.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details as per the provisions of Section 186 of the Companies Act, 2013 are given under Note No. 2.32 to Financial Statements .

PARTICULARS OF CONTRACTS WITH RELATED PARTY

All the transactions of the Company with related parties are at arms length and have taken place in the ordinary course of business. Provisions of Section 188 of the Companies Act, 2013 are not applicable.

Form No. AOC-2 pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as Annexure - 2.

OTHER DISCLOSURES

As per Rule 8(5) of the Companies Accounts Rules, 2014 the following additional information are provided :

1.	The financial summary or highlights	The financial highlights including State of Affairs of the Company, Dividend and Reserves are provided in this Report to the shareholders.
2.	The change in the nature of business, if any	There is no change in the nature of business.
3.	The details of Directors or Key Managerial Personnel who were appointed or have resigned during the year	Sri S. Mahadevan and Sri R.Murali were appointed as Company Secretary and Chief Financial Officer respectively on 02.11.2015
4.	a) The names of Companies which are Subsidiaries, Joint Venture	Sree Mahalakshmi Smelters Private Limited **- Subsidiary** Indsil Hydro Global FZE, Sharjah Airport International Freezone (SAIF) **- Wholly Owned Subsidiary** Al-Tamman Indsil Ferrochrome LLC, Sultanate of Oman **- Joint Venture**
	b) Any of the above have become ceased during the year.	No

5.	The details of deposits under Chapter V of the Act	The Company has not accepted deposits
6.	The details of deposits which are in Compliance with requirement of Chapter V of the Act	Not Applicable
7.	The details of significant and material orders passed by the Regulators / Courts or Tribunals impacting the going concern status and Company's operation	Nil
8.	The details of adequacy of internal controls with reference to the financial statements	Systems and procedures are in place to detect and protect the organizational resources both tangible and intangibles. The financial statements are prepared in accordance with the Accounting Standards issued by the ICAI.

DEPRECIATION

Depreciation on fixed assets is provided on Straight Line Method in accordance with the rates specified under schedule II of the Companies Act, 2013, except the useful life of the Plant and Machinery based on the technical evaluation. As per the technical evaluation such useful life has been taken as 20 years.

EXTRACTS OF ANNUAL RETURN

As per the requirements of provisions of the Companies Act, 2013, the Extract of the Annual Return in the prescribed Form MGT-9 is annexed to this Report (Annexure - 3)

COMMITTEES OF THE BOARD OF DIRECTORS

A. AUDIT COMMITTEE

Audit Committee was constituted by the Board of Directors of the Company to handle the activities as set out in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with the Stock Exchange read with Section 177 of the Companies Act, 2013.

COMPOSITION OF AUDIT COMMITTEE

The Board constituted the Audit Committee which comprises of Dr. A.K.Sreedharan as Chairman, Dr. T.C.P.Nambiar and Sri Vinod Narsiman as Members. All the recommendations of the Audit Committee were accepted by the Board. More details on the Committee like terms of reference are given in the Corporate Governance Report.

B. SHARE TRANSFER COMMITTEE

Share Transfer Committee was constituted by the Board of Directors of the Company to expedite the process of Share Transfers in respect of shares held in physical form and to take on record the volume of shares transacted in the Demat segment periodically. The Board constituted the Share Transfer Committee which consists of Sri S.Inderchand as Chairman and Smt. D.Pushpa Varadarajan as Member.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

This Committee considers and resolves the grievances of shareholders of the Company. The said Committee comprises of Sri S.Inderchand as Chairman and Smt D.Pushpa Varadarajan as Member.

D. COMPENSATION COMMITTEE

Compensation Committee was constituted to administer Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme. The Committee consists of Dr. A.K.Sreedharan as Chairman and Sri Vinod Narsiman and Dr. T.C.P.Nambiar as Members.

E. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors to undertake and administer Corporate Social Responsibility of the Company. CSR Committee consists of Sri S.N.Varadarajan, Executive Vice-Chairman as Chairman of the Committee and Sri Vinod Narsiman, Managing Director and Dr. A.K.Sreedharan, Independent Director as Members of the Committee.

The preference for spending CSR funds has been in and around the area where the Company's plants are situated. However, the Company could not identify the Agencies / Trusts suitable in line with CSR Policy of the Company for spending the entire amount.

Expenditure of 2% of average net profit could not be fulfilled totally due to the Company not being able to identify suitable local area projects for CSR activities despite its constant efforts to identify suitable projects. Thus there was a short fall of ₹ 10,66,297/-. The Company would continue its pursuit and strengthen the mechanism to execute all identified local area projects in future and adopt constant monitoring.

CSR Policy was adopted by the Board of Directors on the recommendation of CSR Committee. Report on CSR as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report (Annexure - 4).

F. NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee was framed by the Board of Directors as per the requirements of the provisions of the Companies Act, 2013. This Committee consists of :

1) Dr. A.K.Sreedharan, Chairman (Non-Executive, Independent)

2) Sri B.Balchand, Member (Non-Executive, Non-Independent)

3) Dr. T.C.P.Nambiar, Member (Non-Executive, Independent)

The said Committee has been empowered and authorized to exercise the powers as entrusted under the provisions of Section 178 of the Companies Act, 2013. The Company has a policy on Directors' appointment and remuneration including criteria for determining the positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act.

G. RISK MANAGEMENT COMMITTEE

Though it is not applicable, the Company has constituted a Risk Management Committee. The Committee has formulated a Risk Management Policy for Risk Management. The Risk Management Policy is periodically reviewed for improvement.

The Risk Management Committee duly constituted by the Board of Directors consists of :

1) Sri S.N.Varadarajan, Executive Vice-Chairman as Chairman of the Committee

2) Sri Vinod Narsiman, Managing Director as Member of the Committee

3) Dr. A.K.Sreedharan, Director as Member of the Committee

VIGIL MECHANISM

The Board has constituted Vigil Mechanism as per Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Audit Committee has been authorized to oversee the Vigil Mechanism. Sri Vinod Narsiman, Managing Director has been nominated to facilitate the Vigil Mechanism.

The Vigil Mechanism is intended to provide adequate safeguards against victimization of employees and to facilitate to report the genuine concerns or grievances.

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report about unethical behaviour, suspected fraud or violation of Code of Conduct and ethics. The Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

BOARD APPROVED POLICIES

The Board of Directors approved and adopted the following policies which are published in the Company's website www.indsil.com.

Sl. No	Name of the Policies	Weblink
1.	Code of Conduct applicable to the Board of Directors including Key Managerial Personnel (KMP) & Senior Managerial Personnel (SMP)	http://www.indsil.com/policies/
2.	IHPML Whistle Blower Policy	http://www.indsil.com/policies/
3.	Related Party Transactions Policy	http://www.indsil.com/policies/
4.	Policy on Material Subsidiary	http://www.indsil.com/policies/
5.	Code of Conduct to regulate, monitor and report trading by Insiders	http://www.indsil.com/policies/
6.	Code of Practices for Fair Disclosure of Unpublished Price Sensitive Information, SEBI (Prohibition of Insider Trading) Regulations, 2015	http://www.indsil.com/policies/
7.	Familiarisation Programme for Independent Directors	http://www.indsil.com/policies/
8.	Corporate Social Responsibility Policy	http://www.indsil.com/policies/
9.	Enterprise Risk Management Policy	http://www.indsil.com/policies/
10.	Policy on Determination of Materiality	http://www.indsil.com/policies/

EVALUATION OF BOARD'S PERFORMANCE

On the advice of the Board of Directors, the Nomination and Remuneration Committee consisting of three Directors of the Company formulate the criteria for the evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors, Executive Director, Chairman and Managing Director.

The Board of Directors are aware of the performance and are familiar with the business of the Company.

A Policy on succession planning for the Board and Senior Management was adopted by the Board of Directors in its meeting held on 27th August, 2014.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL :

Statement pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees Rule, 1975 and Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Annual Report (Annexure-5)

RESIGNATION OF DIRECTOR(s) & RE-APPOINTMENT OF INDEPENDENT DIRECTOR(s)

There was no resignation and re-appointment of Independent Director(s) during the year under review.

MEETING OF INDEPENDENT DIRECTORS

Pursuant to Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors to review the performance of Non-Independent Directors, Board of Directors and to assess the quality, quantity and timeliness of flow of information between the Management and the Board of Directors to effectively and reasonably perform their duties was conducted on 21st March, 2016 and all the Independent Directors attended this meeting.

AUDITORS

The Board of Directors of the Company recommends M/s Raja & Raman (Firm's Registration No. 003382S) Chartered Accountants, 1055/1, First Floor, Gowtham Centre, Avanashi Road, Coimbatore 641 018, the retiring Auditors to be reappointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting for the financial year 2016-17 subject to the approval of the shareholders in the ensuing Annual General Meeting. The said item regarding appointment of M/s Raja & Raman, Auditors is placed before the shareholders for their approval.

The Auditors have consented and confirmed their eligibility and desire to continue as Statutory Auditors of the Company.

INTERNAL AUDITOR

Ms. K.R.Divya (Membership No. 228896), Chartered Accountant, No. 37, P.M.Samy Colony,1st Street, R.S.Puram, Coimbatore 641 002 was appointed as Internal Auditor pursuant to the provisions of Section 138 of the Companies Act, 2013 by the Board of Directors of the Company to conduct the internal audit functions.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 Sri B.Venkateswar, Cost Accountant was appointed by the Board of Directors of the Company for conducting audit of the Cost Account Records of the Company for the year 2016-17. He was the Cost Auditor of the Company for the year 2015-16 as well.

SECRETARIAL AUDITORS

KSR & Co, Company Secretaries LLP, a firm of Company Secretaries is the Secretarial Auditors of the Company. The Secretarial Audit Report submitted by them forms part of this Report (Annexure-6).

AUDITOR'S REPORT & ACCOUNTING POLICIES & SECRETARIAL AUDIT REPORT

The Auditors' Report read with the Notes on Accounts are self-explanatory and does not require any further clarification.

A statement detailing significant Accounting Policies of the Company is annexed to the Accounts.

The Reports of the Statutory Auditors and the Secretarial Audit Report (both appearing elsewhere in this Annual Report) are without any adverse comments.

EMPLOYEE STOCK OPTION SCHEME

Pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 issued by SEBI on October 28, 2014, the Company has obtained approval of the shareholders through Postal Ballot replacing the INDSIL ESOS, 2008 with "INDSIL ESOS, 2015" in conformity with such regulations and accordingly executed Variation Deed of Trust with the concerned Registering Authority in Coimbatore. The results of the Postal Ballot passing the resolution to this effect by the shareholders were furnished to the Bombay Stock Exchange accordingly and such results were published in the newspapers and website of the Company http://www.indsil.com/news/

A copy of the INDSIL ESOS, 2015 and the registered Variation Deed were furnished to the Bombay Stock Exchange for the Exchange to take the same on record. A Corporate announcement to this effect was published in the Bombay Stock Exchange website.

CORPORATE WEBSITE

The website of the Company, www.indsil.com carries a comprehensive database of information of interest to the stakeholders including the corporate profile, information with regard to products, plants and financial performance of the Company and Policies.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as applicable under the provisions of Section 149(6) of the Companies Act, 2013 read with relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

A familiarization programme for Independent Directors was conducted on 23rd March, 2016 and the details are available in the Company's website: http://www.indsil.com/policies/

INSURANCE

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis for the year under review as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed to this Annual Report (Annexure - 7).

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors based on the representations received from the Management and pursuant to Sub-section 3(c) of Section 134 of the Companies Act, 2013 hereby confirm that :

(i) in the preparation of Annual Accounts, the applicable accounting standards have been followed and wherever required, proper explanation relating to material departures have been given.

(ii) have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year.

(iii) have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.

(iv) have prepared the Annual Accounts on a going concern basis

(v) have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively ; and

(vi) have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CODE OF CONDUCT

The Board of Directors approved a code of conduct which is applicable to the Members of the Board and all designated employees in the course of day to day business operations of the Company. The code is posted in the Company's website : http://www.indsil.com/policies/

All the Board Members and the Senior Management Personnel have confirmed compliance with the code.

PREVENTION OF INSIDER TRADING

The Company adopted a Code of Conduct for Prevention of Insider Trading in order to regulate the trading in Securities by the Directors and designated persons of the Company as per SEBI (Prohibition of Insider Trading Regulations, 2015). The details of the Code of Conduct and Fair Disclosure is published in the Company's website : http://www.indsil.com/policies/

CORPORATE GOVERNANCE

As per Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate disclosure on Corporate Governance Practices followed by the Company together with a certificate from the Company's Secretarial Auditors KSR & Co, Company Secretaries LLP, Practising Company Secretaries, Coimbatore on such compliance are attached.

INDUSTRIAL SAFETY

Your Company has laid high emphasis on safety of all the personnel and mitigation of damage to equipments. The Company has thoroughly followed all the safety measures.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act read with the Companies (Accounts) Rules 2014 is enclosed to this Report (Annexure - 8).

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company for the financial year ended 31st March, 2016 upto the date of signing of the Directors' Report.

NUMBER OF BOARD MEETINGS

The Board of Directors met 4 times in the financial year 2015-16. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

LISTING FEE

Listing fee for the financial year 2016-17 has been paid to Bombay Stock Exchange where the shares of the Company are listed.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

1. The Company maintains all its records in ERP System and the work flow and approvals are routed through ERP ;

2. The Company has appointed Internal Auditors to check the Internal Controls and also check whether the workflow of the organization is in accordance with the approved policies of the Company. In every quarter, during approval of Financial Statements, Internal Auditors will present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations ; and

3. The Board of Directors of the Company have adopted various policies like Corporate Social Responsibility Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders, Code of Practices for Fair Disclosure of Unpublished Price Sensitive Information, Code of Conduct applicable to the Board of Directors including Key Managerial Personnel and Senior Management Personnel, Enterprise Risk Management Policy, Performance Evaluation, Board Diversity and Professional Code of Conduct, Policy for Related Party Transactions, Policy on Determination of Materiality for Disclosure of events or information, Policy on Material Subsidiary, Prevention of Sexual Harassment at Workplace, Professional Code of Conduct for Independent and Non-executive Directors including Senior Managerial Personnel (SMP), Succession Planning for the Board and Senior Management, Whistle Blower Policy and such other procedures for ensuing the orderly and efficient conduct of its business for safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

DECLARATION

The Company has been regular in filing all forms and returns with the Registrar of Companies as required under the Companies Act, 2013 and has not defaulted in payment of dividends.

REPORT ON SEXUAL HARASSMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressel) Act, 2013.

During the financial year ended 31st March, 2016, the Company has not received any complaints pertaining to Sexual Harassment of Women.

ACKNOWLEDGEMENTS

Your Directors are extremely thankful to State Bank of Travancore, Export Import Bank of India, IDBI Bank Limited, Yes Bank Limited, Standard Chartered Bank and The Federal Bank Limited for their continued support.

Your Directors acknowledge and express their grateful appreciation for the co-operation and support received from Government Authorities, Kerala State Industrial Development Corporation, employees, customers and suppliers. They also thank the shareholders for the confidence reposed by them in the management of the Company and for their continued support and co-operation.

For and on behalf of the Board

Place : Coimbatore
Date : 5th August, 2016

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

ANNEXURE - 1

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary Company / joint venture

Part "A": Subsidiary

(Information in respect of each subsidiary to be presented with amounts in ₹)

SL No.	Name and Place of the Subsidiary	Reporting period for the Subsidiary concerned, if different from the holding Company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Sree Mahalaksmi Smelters Private Limited, Gharbham, Andhra Pradesh	April'15 to March'16	INR Exchange rate not applicable	4,29,18,570	14,69,81,868	34,91,47,249	45,32,10,547	-	8,64,85,612	(3,96,03,864)	-	(3,96,03,864)	-	51%
2	Indsil Hydro Global (FZE) Sharjah Airport International Freezone (SAIF) UAE	May'15 to April'16	INR-- 17.91 Per AED as per Profit & Loss Account INR - 18.10 Per AED as per Balance Sheet	27,15,120	1,00,68,397	1,87,89,493	60,05,976	-	2,87,31,221	2,55,18,322	-	2,55,18,322	2,13,85,120	100%

Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Venture

(Information in respect of each subsidiary to be presented with amounts in ₹)

Name of Joint Venture	Latest audited Balance Sheet Date	Share of Joint Ventures held by the Company on the year ended 31st March,2016			Description of how there is significant influence	Reason why the joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit /Loss for the Year	
		No.	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in consolidation*
Al-Tamman Indsil Ferro Chrome LLC, Sultanate of Oman	31-Dec-15	1267834	18,03,01,790	26.62%	Based on the percentage of shareholding in the Capital of JV	Consolidated	3,78,81,049	21,20,856	58,46,297

* Your Company is holding 26.62% in the Joint Venture.The Consolidation is only applicable for 26.62% and remaining portion is not applicable for Consolidation.

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 2

Disclosure of Particulars of Contracts/ Arrangements entered into by the Company

Form No. AOC-2
[Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. There are no contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. Details of contracts or arrangements or transactions at arm's length and in the ordinary course of business basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any ₹
Sree Mahalakshmi Smelters Private Limited	Sale/ Purchase of raw materials and finished goods and services	1st July,2015 to 31st March, 2016	Sale/ Purchase of raw materials and purchase of finished goods for an aggregate value of ₹ 5.50 Lakhs.	Preapproval by the Audit Committee in its meeting held on 1st July, 2015 and taken on record by the Board in its meeting held on 17th August, 2015. No approval of the Board under Section 188 arises as the transactions are in ordinary course of business and at arm's length basis.	Nil
Indsil Energy and Electrochemicals Private Limited	Sale / Purchase of raw materials and finished goods	1st July,2015 to 31st March, 2016	Sale/ Purchase of raw materials and purchase of finished goods for an aggregate value of ₹ 3,572.55 lakhs		

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 3

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN
for the financial year ended on 31st March, 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L27101TZ1990PLC002849
ii	Registration Date	30.08.1990
iii	Name of the Company	Indsil Hydro Power and Manganese Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered Office and contact details Registered Office :	"Indsil House", Door No:103-107 T V Samy Road (West) R S Puram, Coimbatore 641 002
vi	Whether listed Company	Yes
vii	Name, Address and contact details of Registrar and Transfer Agents, if any	S.K.D.C Consultants Ltd "Kanapathy Towers", 3rd Floor, 1391/A-1 Sathy Road, Ganapathy, Coimbatore 641 006

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Manufacturer of Ferro Alloys	7202	75.29%
2.	Generation of Electricity (Hydro Power)	Exemption	18.47%

III. PARTICULARS OF SUBSIDIARIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of Shares Held	Applicable Section
1.	Sree Mahalakshmi Smelters Private Limited., Merakamudidam Mandalam, Garbham-535 102 Andhra Pradesh	U27101AP2008PTC060147	Subsidiary	51%	2(87)
2.	Indsil Hydro Global (FZE) SAIF Lounge, P.O.Box 9049, Sharjah Airport International Free Zone (SAIF), UAE	Not Applicable	Wholly Owned Subsidiary	100%	The Company is registered in Sharjah Airport International Freezone, UAE. Hence not applicable.

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as Percentage of Total Equity)

(i) Catagory-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters Group									
(1) Indian									
a) Individual/HUF	3103033	-	3103033	19.532	3103033	-	3103033	19.532	-
b) Central Govt/State Govt (s)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	5532585	-	5532585	34.825	5532585	-	5532585	34.825	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub - total (A) (1)	8635618	-	8635618	54.357	8635618	-	8635618	54.357	-
(2) Foreign									
a) Individuals (NRI/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corp.	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e) Any Others (Specify)	-	-	-	-	-	-	-	-	-
Sub - total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter Group (A) = (A)(1)+(A)(2)	**8635618**	-	8635618	54.357	8635618	-	8635618	54.357	-
B. Public shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	3666	3666	0.023	-	3000	3000	0.019	-0.004
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt/State Govt (s)	1054166	-	1054166	6.635	1054166	-	1054166	6.635	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Any Other (specify)	-	-	-	-	-	-	-	-	-
FOREIGN PORTFOLIO (CORP.CAT)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**1054166**	**3666**	**1057832**	**6.658**	**1054166**	**3000**	**1057166**	**6.654**	-0.004
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	316369	21028	337397	2.124	292390	83931	376321	2.369	0.245
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2825569	541363	3366932	21.194	2726240	479004	3205244	20.176	-1.018
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1954453	16666	1971119	12.407	2093403	6832	2100235	13.220	0.813
c) Others (specify)									
Directors & Their Relatives	1800	-	1800	0.011	1800	-	1800	0.011	0.000
Non Resident Indians	174425	106869	281294	1.771	148979	91045	240024	1.511	-0.260
Clearing Members	22557	-	22557	0.142	48903	-	48903	0.308	0.166
Hindu Undivided Families	212243	-	212243	1.336	221481	-	221481	1.394	0.058
Sub-total (B)(2)	**5507416**	**685926**	**6193342**	**38.985**	**5533196**	**660812**	**6194008**	**38.989**	**0.004**
Total Public shareholding (B) = (B) (1)+ (B) (2)	**6561582**	**689592**	**7251174**	**45.643**	**6587362**	**663812**	**7251174**	**45.643**	**-**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**15197200**	**689592**	**15886792**	**100.00**	**15222980**	**663812**	**15886792**	**100.00**	**-**

(ii) Share Holding of Promoters' Group

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	SRI ASHOK KUMAR B	33,333	0.210	-	33,333	0.210	-	-
2	SRI BALCHAND B (HUF)	33,333	0.210	-	33,333	0.210	-	-
3	M/S SUNMET HOLDINGS INDIA PVT LTD	55,18,252	34.735	-	55,18,252	34.735	-	-
4	SRI INDER CHAND KOTHARI S	144,630	0.910	-	1,44,630	0.910	-	-
5	SRI MAHAVEERCHAND B	41,666	0.262	-	41,666	0.262	-	-
6	SRI PARASMAL B	41,666	0.262	-	41,666	0.262	-	-
7	M/S SNV HOLDINGS PRIVATE LIMITED	14,333	0.090	-	14,333	0.090	-	-
8	SRI BALCHAND B	33,333	0.210	-	33,333	0.210	-	-
9	SRI DEEP PRAKASH M	6,184	0.039	-	6,184	0.039	-	-
10	SRI AJIT B	12,083	0.076	-	12,083	0.076	-	-
11	SRI PANKAJ B	8,333	0.052	-	8,333	0.052	-	-
12	SRI VASANT B	25,000	0.157	-	25,000	0.157	-	-
13	SRI ASHOK B	71,710	0.451	-	71,710	0.451	-	-
14	SRI S.N.VARADARAJAN*	10,90,208	6.862	-	10,90,208	6.862	-	-
15	SRI VISHWAA NARSIMAN	2,718	0.017	-	2,718	0.017	-	-
16	SRI RUDRA NARSIMAN	2,718	0.017	-	2,718	0.017	-	-
17	SRI VINOD NARSIMAN*	1,73,220	1.090	-	1,73,220	1.090	-	-
18	SMT JAYASHREE VINOD	1,83,385	1.154	-	1,83,385	1.154	-	-
19	SRI K S MAHADEVAN	93,000	0.585	-	93,000	0.585	-	-
20	SMT M PRIYA	55,263	0.348	-	55,263	0.348	-	-
21	SMT M KALAISELVI	78,469	0.494	-	78,469	0.494	-	-
22	SRI PAVAN KUMAR I	1,05,911	0.667	-	1,05,911	0.667	-	-
23	SRI MOHIT P	14,794	0.093	-	14,794	0.093	-	-
24	SRI P RISHAB KUMAR	15,870	0.100	-	15,870	0.100	-	-
25	SMT D PUSHPA VARADARAJAN	5,30,208	3.337	-	5,30,208	3.337	-	-
26	SMT SHARMILA M	1,36,068	0.856	-	1,36,068	0.856	-	-
27	SRI PRASANNA KUMAR I	1,69,930	1.070	-	1,69,930	1.070	-	-
	TOTAL	**86,35,618**	**54.354**	**-**	**86,35,618**	**54.354**	**-**	**-**

* Sri S.N.Varadarajan and Sri Vinod Narsiman are the Promoters.

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

Sl No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	-	Nil			

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

Sl No.	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION	10,54,166	6.635	10,54,166	6.635
2	MR ANIL KUMAR GOEL	6,10,000	3.840	6,10,000	3.840
3	MS SEEMA GOEL	2,50,000	1.574	2,50,000	1.574
4	MR TAJENDRA KUMAR	98,871	0.622	98,871	0.622
5	MS T S JANAKI	64,254	0.404	64,254	0.404
6	MR ROYCHAND CHENRAJ	47,300	0.298	3,440	0.022
7	MR. CHANDER BAJAJ	44,100	0.278	52,255	0.329
8	SUMPOORNA PORTFOLIO LIMITED	42,830	0.270	5,000	0.031
9	MS SHARADA P	41,458	0.261	41,458	0.261
10	MR RAJENDRA KUMAR PUNGALLA	38,753	0.244	49,024	0.309
11	MR RAVI MAHALINGAM	-	-	77,280	0.486
12	SUGAL AND DAMANI SHARE BROKERS LIMITED	5,978	0.038	50,000	0.315

v) Shareholding of Directors and KMP

Sl No.	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	SRI S N VARADARAJAN	10,90,208	6.862	10,90,208	6.862
2	SMT D PUSHPA VARADARAJAN	5,30,208	3.337	5,30,208	3.337
3	SRI VINOD NARSIMAN	1,73,220	1.090	1,73,220	1.090
4	SRI S INDER CHAND KOTHARI	1,44,630	0.910	1,44,630	0.910
5	SRI K S MAHADEVAN	93,000	0.585	93,000	0.585
6	SRI BALCHAND B (HUF)	33,333	0.210	33,333	0.210
7	SRI BALCHAND B	33,333	0.210	33,333	0.210
8	SRI K RAMAKRISHNAN	1,800	0.011	1,800	0.011
9	SRI S MAHADEVAN	32,174	0.202	32,174	0.202

V. INDEBTEDNESS

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

(₹in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	2633.45	-	-	2633.45
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	11.47	-	-	11.47
Total (i+ii+iii)	2644.92	-	-	2644.92
Change in Indebtedness during the financial year				
- Addition	1500.00	-	-	1500.00
- Reduction	(630.08)	-	-	(630.08)
Net Change	869.92	-	-	869.92
Indebtedness at the end of the Financial Year				
i. Principal Amount	3503.37	-	-	3503.37
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	11.31	-	-	11.31
Total (i+ii+iii)	**3514.68**	**-**	**-**	**3514.68**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹in lakhs)

Sl No.	Particulars of Remuneration	Sri.S.N.Varadarajan, Executive Vice-Chairman	Sri.Vinod Narsiman Managing Director	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.50	4.5	9.00
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.54	0.32	0.86
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- As % of profit	9.77	9.99	19.76
	- Others, specify	-	-	-
5.	Others, please specify			
	Total (A)	14.81	14.81	29.62
	Ceiling as per the Act (10% of net profit)	-	-	**39.94**

B. Remuneration to other Directors:

(in ₹)

Particulars	Name of Directors				Total Amount (in ₹)
Independent Directors	Dr. A.K. Sreedharan	Dr. T.C.P. Nambiar	Sri. K. Ramakrishnan		
• Fee for attending Board/ Committee meetings	17,500	17,500	10,000		45,000
• Commission	1,00,000	1,00,000	-		2,00,000
• Others, specify meeting expenses	17,500	8,000	-		25,500
Total (1)	1,35,000	1,25,500	10,000		2,70,500
Other Non- Executive Directors	Sri.B. Balchand	Sri. S. Inderchand	Smt. D. Pushpa Varadarajan	Sri. K.S. Mahadevan	
• Fee for attending Board/ Committee meetings	7,500	32,500	35,000	10,000	85,000
• Commission	1,00,000	1,00,000	1,00,000	1,00,000	4,00,000
• Others, specify meeting expenses	10,000	51,000	40,000	17,500	1,18,500
Total (2)	1,17,500	1,83,500	1,75,000	1,27,500	6,03,500
Total (1+ 2)	2,52,500	3,09,000	1,85,000	1,27,500	8,74,000
Total Managerial Remuneration					8,74,000
Overall Ceiling as per the Act (11% of the net profit)					**43,93,902**

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

SL. No.	Particulars of Remuneration	Key Managerial Personnel			Total (in ₹)
		Director	Sri. S. Mahadevan Company Secretary	Sri.R. Murali Chief Financial Officer	
	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	6,67,164	8,73,456	15,40,620
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	87,036	21,600	1,08,636
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act,1961	-	-	-	-
	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission				
	- as % of profit	-	-	-	-
	- others, specify…	-	-	-	-
	Others, please specify	-	-	-	-
	Total	-	**7,54,200**	**8,95,056**	**16,49,256**

VII. Penalties / Punishment / Compounding of Offences: Nil

A. Company

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
Penalty Punishment Compounding	Nil				

B. Directors

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
Penalty Punishment Compounding	Nil				

C. Other Officers In Default

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
Penalty Punishment Compounding	Nil				

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 4

Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules,2014.

1. The Board of Directors at their meeting held on 17th August, 2015 adopted the CSR Policy .

2. Composition of CSR Committee:

S.No.	Name	Designation
1	Sri.S.N.Varadarajan	Chairman
2	Sri.Vinod Narsiman	Member
3	Dr.A.K.Sreedharan	Member

3. Average Net Profit for last three Financial Years:

(in ₹)

Particulars	For the Financial Year ended 30th June 2016		
	2014-15	2013-14	2012-13
Net Profit for the Year	12,14,67,372	10,85,57,176	18,41,985
Average Net Profit for the preceeding three Financial Years	7,72,88,844		

4. Prescribed CSR expenditure (2% of Average Net Profit): ₹ 15,45,777/-

5. Details of CSR spent for the Financial Year:
   a. Total amount spent for the Financial Year : ₹ 4,79,480/-
   b. Amount unspent, if any: ₹ 10,66,297/- (Refer Note No.6 for reason unspent)
   c. Manner in which the amount spent during the Financial Year is detailed below:

(In ₹)

SL No.	CSR Project or activity identified	Sector in which the projects were covered	Location of the projects / programs undertaken (Dist. & State)	Amount outlay (budget) per project or program	Amount spent on the projects or programs (01.07.2015 to 31.03.2016)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1	Mentally Retarded and Livelihood Project	Health Care	Coimbatore Dist, Tamilnadu	59,000	59,000	59,000	Direct
2	Providing Infrastructure for school	Drinking Water	Elapully, Palakkad Dist., Kerala	1,10,000	1,10,000	1,10,000	Direct
3	Divine Providence Trust	Health Care	Rajakad, Idukki Dist., Kerala	2,50,000	2,50,000	2,50,000	Direct
4	Socio-Economic & Educational activities to School students	Education	Kuthungal, Idukki Dist., Kerala	60,480	60,480	60,480	Direct
	Total			4,79,480	4,79,480	4,79,480	--

6. In case the Company has failed to spend two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

   Expenditure of 2% of average net profit could not be fulfilled totally due to the Company not being able to identify suitable local area projects for CSR activities. Thus, there was a short fall of ₹ 10,66,297/-. The Company would continue its pursuit and strengthen the mechanism to execute all identified local area projects in future and adopt constant monitoring.

7. We hereby confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 5

Statement pursuant to Section 134 of the Companies Act,2013, read with the Companies (Particulars of Employees) Rules, 1975 and Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:

S.No.	Name of the Director	Category of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Sri.B.Balchand	Non-Executive Chairman	Nil
2	Sri. S.N.Varadarajan	Executive-Vice Chairman	5
3	Sri.Vinod Narsiman	Managing Director	5
4	Sri. S.Inderchand	Non-Executive Non-Independent Director	Nil
5	Smt. D.Pushpa Varadarajan	Non-Executive Non-Independent Director	Nil
6	Sri.K.S.Mahadevan	Non-Executive Non-Independent Director	Nil
7	Dr.A.K.Sreedharan	Non-Executive Independent Director	Nil
8	Dr.T.C.P.Nambiar	Non-Executive Independent Director	Nil
9	Sri.K.Ramakrishnan	Non-Executive Independent Director	Nil

Note: for this purpose, sitting fees paid to the Directors have not been considered as remuneration.

ii. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year

S.No.	Name of the Director	Category of the Director	Percentage increase in Remuneration
1	Sri. S.N.Varadarajan	Executive Vice Chairman	(-) 69.193%
2	Sri.Vinod Narsiman	Managing Director	(-) 69.193%
3	Sri.R.Murali	Chief Financial Officer	Nil
4	Sri.S.Mahadevan	Company Secretary	Nil

iii. The percentage increase in the median remuneration of employees in the Financial Year - 5.24%

iv. The number of permanent employees on the rolls of Company : 44

v. The explanation on the relationship between average increase in remuneration and Company performance:

There is relationship between the average increase in remuneration and Company performance. Increments are also linked to the Cost of Living Index and market compensation.

vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company

S. No.	Name	Designation	Gross Remuneration (in ₹)	Performance of the Company at the Financial Year ended 31st March, 2016 (in ₹)
1.	Sri. S.N.Varadarajan	Executive Vice - Chairman	14,81,425	3,99,44,561
2.	Sri.Vinod Narsiman	Managing Director	14,81,425	3,99,44,561
3.	Sri. S. Mahadevan	Company Secretary	7,54,200	3,99,44,561
4.	Sri. R. Murali	Chief Financial Officer	8,95,056	3,99,44,561

vii. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Particular	As at 31st March, 2016 (9 months)	As at 30th June, 2015 (12 months)
Market Capitalization of the Company (₹ in lakhs)	5639.81	5353.85
Issued Capital (in ₹)	15,88,67,920	15,88,67,920
Closing Price at Bombay Stock Exchange (in ₹)	35.50	33.70
Earnings Per Share (consolidated) (in ₹)	0.42	4.15
Price Earnings Ratio (considering consolidated EPS) (in ₹)	84.52	8.12

Note: Percentage increase over decrease in market quotations of the shares of the Company in comparison with the last public offer is not applicable. The last public offer was made in 1993 and the date is incomparable.

viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average percentile increase granted to employees other than managerial personnel is 4.78% The percentile increase granted to managerial personnel is 8.50%

ix. The Key parameters for any variable component of remuneration availed by the Directors.

The Directors are not eligible for any variable compensation other than Commission as per the provisions of the Act.

x. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year : Not applicable

xi. We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.

xii. Particulars of employees [Rule 5(2) and Rule 5(3) of Companies (Appointment & Remuneration of Managerial Personnel Rules, 2014].

Name & Age	Sri S.N.Varadarajan, 70 years	Sri Vinod Narsiman, 44 years
Designation	Executive Vice-Chairman	Managing Director
Gross Remuneration paid in (₹)	14,81,425	14,81,425
Qualification	B.Com	B.E., MBA (University of Michigan)
Date of Commencement of employment	03.09.1992	18.01.1997
Last employment	Sun Metals & Alloys Private Limited	Nil

Notes :

1. Sri S.N.Varadarajan, Smt D.Pushpa Varadarajan and Sri Vinod Narsiman are related to each other. Sri Vinod Narsiman is son of Sri S.N.Varadarajan and Smt D.Pushpa Varadarajan. Further no employee of the Company holding by himself or with his family holding shares of 2% or more in the Company and drawing remuneration in excess of Executive Vice-Chairman & Managing Director.

2. The remuneration includes salary, commission and perquisites. Employment is with the approval of the shareholders for a period of five years with the recommendation of the Board of Directors to the Shareholders in Annual General Meeting.

3. The remuneration details and all other particulars are for the Financial Year ended 31st March, 2016

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 6

The Members,
Indsil Hydro Power and Manganese Limited,
"Indsil House", T.V.Samy Road (West),
R.S.Puram, Coimbatore - 641 002

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP

Sd/-
C.V. Madhusudhanan
Partner
(FCS : 5367; CP:4408)

Place : Coimbatore
Date : 5th August, 2016

Form No. MR-3
SECRETARIAL AUDIT REPORT
(Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)
For the Financial Year ended 31st March, 2016

To,

The Members,
Indsil Hydro Power and Manganese Limited,
"Indsil House", T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indsil Hydro Power and Manganese Limited (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March, 2016 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorised representatives during the conduct of the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of :

(i) The Companies Act, 1956 and the Rules made there under to the extent applicable.

(ii) The Companies Act, 2013 and the Rules made there under.

(iii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

(iv) The Depositories Act, 1996 and the Regulations framed there under.

(v) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(vi) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 :

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client.

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.

i. Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

(vii) The following laws, regulations, directions, orders applicable specifically to the Company :

a. The Electricity Act, 2003

b. The Electricity Rules, 2005.

We have also examined the compliance with applicable clauses of the following :

(i) Listing Agreement entered into with Stock Exchange.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iii) Secretarial Standards under Section 118 of the Companies Act, 2013.

On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable provisions of Act / Regulations / Directions as mentioned above in respect of :

a) Issue of securities both equity and / or debt.

b) Foreign Direct Investment and External Commercial Borrowings.

c) Buy-back of securities.

d) Delisting of securities.

We further report that :

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period covered under the Audit were carried out in compliance with the provisions of the Act.

Adequate notice and detailed notes on Agenda was given to all Directors at least seven days in advance to schedule the Board Meetings. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and recorded as part of the minutes. No dissenting views were found in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period covered under the Audit, the Company has not made any specific actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above.

For KSR & Co Company Secretaries LLP

Sd/-
C.V. Madhusudhanan
Partner
(FCS : 5367; CP:4408)

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 7

MANAGEMENT DISCUSSION AND ANALYSIS

(Pursuant to Clause 49 of the Listing Agreement with Stock Exchange)

a. INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Company is a part of the ferro alloy industry. Ferro alloys refer to a range of compounds that find application in producing steel and stainless steel. Manganese, chrome and silicon alloys form a majority of the bulk of ferro alloys produced. While chromium alloys are used in the production of stainless steel, manganese alloys are used in the production of steel and some specialized grades of manganese alloys are used in specific grades of stainless steel making.

Your Company produces a specialized variety of low carbon silico manganese alloys which are primarily used in stainless steel making as well as in some specific grades of carbon steel.

During the year under review, the steel and stainless industry underwent severe recessionary trends and price realizations dipped on a month on month basis through the year. Values of either ore or metal across the supply chain collapsed during the year.

b. OPPORTUNITIES AND THREATS :

The Oman JV Company has broken even last year and registered a small profit. The coming year is expected to witness reasonable profits and from the year 2017 onwards, the Company is expected to get yield by way of very high dividends for investments made. Due to recent policy measures by the Andhra Pradesh Government, it looks imminently possible that the Subsidiary Company Sree Mahalakshmi Smelters Private Limited., may be able to revive its smelting division and contribute positively by way of good operating and financial performance.

c. SEGMENT WISE PERFORMANCE :

SMELTER DIVISION :

The table given below gives the operational details of the two segments of your Company viz., ferro alloy segment and power segment.

Particulars	Ferro Alloy	Power
Production (MT)	8107	26.85 Million Units
Sales (MT)	8701	25.12 Million Units
Revenue in ₹ Lakhs	6846	2001
PBDIT in ₹ Lakhs	(760)	1925

The smelter division struggled to maintain adequate operating margins on account of the global recession in the industry.

POWER DIVISION :

The year under review saw comparatively poor monsoon cycles which resulted in lower generation of power of 26.85 million units (9 months) as against 50.53 million units (12 months) during the previous year.

d. OUT LOOK

The Company's financial performance is expected to be average for the coming year due to lack of visibility of an industry pick up. Financial performance will also largely depend on the efficacy of both the monsoon seasons.

e. RISKS AND CONCERNS :

Already covered under "Threats".

f. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

i) COST CONTROL

Every single cost item goes through a thorough internal audit and in several stages as well. As part of the cost control system, every single aspect of costs goes through stringent pre-expenditure checks and audits as well.

ii) OPERATIONS

Process and deliverables pass through stringent control systems on a continuous basis. These systems are highly adequate and infact play a vital role in productivity, growth, efficiency, improvement etc.,

g. FUTURE PROSPECTS

Due to struggling industry conditions, the Company has decided not to make any near term investments in any new projects related to the industry. The Company will wait for this phase to tide out before considering fresh investments.

h. CAUTIONARY FORWARD-LOOKING STATEMENTS :

The Company makes forward-looking statements that are subject to risks and uncertainities. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's strategy for growth, market position and financial results are forward-looking statements.

For those statements the Company cautions that numerous important factors could affect the Company's actual results and could cause its results to differ materially from those expressed in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

I. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

₹ in lakhs

Particulars	30th June, 2012	30th June, 2013	30th June, 2014	30th June, 2015	31st March, 2016 (9 months)
OPERATING RESULTS :					
1. Sales	5686	9761	11633	11112	6527
2. Operating Profit (PBIDT)	1558	719	1875	2433	1165
3. Interest	248	296	371	505	381
4. Depreciation	367	380	398	427	326
5. Taxes	(61)	15	21	286	60
6. Net Income (PAT)	1003	28	1086	1215	399
7. Dividend Percentage	10%*	5%	12%	12%	6%
Dividend Amount	159	79	191	191	95
Dividend Tax	26	13	38	-	-
8. Production					
Ferro Alloys (MT)	6826	10429	12640	11173	8107
Power (Lakh KWH)	435	149	382	505	269

*Post bonus shares issued@ 2 shares for every 3 shares held (2:3)

Particulars	30th June, 2012	30th June, 2013	30th June, 2014	30th June, 2015	31st March, 2016 (9 months)
II. PERFORMANCE PARAMETERS					
1. Share Capital	1589	1589	1589	1589	1589
2. Reserves & Surplus	6069	6006	6863	7926	8230
3. Secured Loans	1877	3996	2292	2633	3503
4. Deferred Liabilities	1555	1370	1507	1491	1462
5. Fixed Assets (Gross Block)	9271	9478	9530	9577	9620
6. Accumulated Depreciation	(4623)	(4995)	(5390)	(5817)	(6142)
7. Investments	463	2166	2192	2192	2192
8. Net Current Assets	5779	6312	2565	4099	5494

₹ in lakhs

Particulars	30th June, 2012	30th June, 2013	30th June, 2014	30th June, 2015	31st March, 2016 (9 months)
III. RATIOS :					
1. Profit After Tax / sales (%)	17.66	0.32	9.33	10.93	6.12
2. Return on Net Worth (%)	13.11	0.37	12.85	12.77	4.07
3. Earnings per Share (₹)	6.32*	0.18*	6.84*	7.65	2.51
4. Cash Earnings per share (₹)	8.63*	2.57*	9.34*	10.33	4.67
5. Debt Equity Ratio	0.07	0.05	0.23	0.23	0.31
6. Book Value Per Share (₹)	48.20*	47.80*	53.20*	59.89	61.80

*Post bonus shares issued @ 2 shares for every 3 shares held (2:3)

j. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Number of people employed - 119

Your Company has always endeavoured to retain quality man power talent. Conscious efforts are on to develop a HR policy accordingly, giving thrust for effective participation of potential human resources at all levels in the activities of the Company.

The HR policy has been designed so as to give thrust on a transparent and performance-driven work culture which ensures challenges and opportunities for the deserving. The Company in fact, adopts intensive selection process to ensure that best talents with great attitude are recruited so that the culture of team work and dedication remain intact.

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

ANNEXURE - 8

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS)RULES,2014:

INFORMATION REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013.

A. CONSERVATION OF ENERGY

i.	The steps taken for Conservation of Energy	:	At the time of installation of the equipment,sufficient devices have already been incorporated to conserve energy. These devices and furnace operation practices based on indigenous technology have resulted in maintaining the industry standards of consumption.
ii.	The steps taken by the Company for utilizing alternate sources of energy	:	Not applicable
iii.	The capital investment on energy conservation equipments	:	Not applicable

B. TECHNOLOGY ABSORPTION

i.	Efforts made towards technology absorption	:	The Company through R&D in process control has consistently improved the performance through innovative practices developed and perfected in-house.
ii.	Benefits derived like product improvement, cost reduction, product development or import substitution	:	The metallurgical balance and recovery rates achieved through in-house R&D had made this Company outstanding in performance when compared with other industries in this class.
iii.	In case of imported technology (for the last 3 Years) a. The details of technology import b. The year of import c. Whether the technology has been fully absorbed d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	:	The Company has developed indigenously raw material charging systems and stoking machines.
iv.	Expenditure incurred on R&D	:	R & D is done on a continuous basis and products with critical specification and better grades have been achieved. This is a continuous process industry, development of newer and better products is achieved as a part of regular manufacturing process and therefore no separate cost allocation can be done for R & D. The Company has developed indigenous system for Raw Material feeding and for furnace stoking which, in turn, enhances the versality of the batching system. The expenditure incurred during the financial year ended 31st March, 2016 (9 months) is ₹ 2 lakhs.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in lakhs

Particulars	2015-16	2014-15
Earnings (Export)	2150.94	8005.50
Expenditure	3.95	8.80

Initiatives taken to increase exports : The Company is taking efforts to increase the exports by constant quality improvements, change of product and penetrating a wider customer base.

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Place : Coimbatore
Date : 5th August, 2016

REPORT ON CORPORATE GOVERNANCE

Report pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below :

A. RELATED PARTY DISCLOSURE

Transactions with related parties are disclosed in the Notes to Accounts in the Annual Report. All the transactions with related parties are at arms length and in compliance with transfer pricing regulations and consideration will be paid or received through cheque.

The Register of Contracts containing transactions in which Directors are interested, is placed before the Board regularly. All related party transactions are entered into by the Company only after the prior approval of the Audit Committee and the Board of Directors.

In terms of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchange and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine Related Party Transactions.

B. MANAGEMENT DISCUSSION AND ANALYSIS

1. The report on Management Discussion and Analysis is annexed to the Directors' Report and forms part of this Annual Report.
2. Disclosure of Accounting Treatment

The Company has followed the Accounting Standards in preparation of its Financial Statements.

C. CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

INDSIL is committed to maintaining the highest levels of corporate governance practices, which are essential to the enhancement in the stakeholders value and for the very success of the Company. Its corporate governance practices meet Stock Exchange corporate governance guidelines and other regulatory requirements to ensure transparency and effective governance of the Company. The Board of Directors of the Company reviews its corporate governance in the light of developing requirement in the field and as new provisions come into effect, such provisions are complied with wherever appropriate.

INDSIL is endeavoring to become a leading advocate for sustainability in business as the key to value creation and growth in the process.

The form and substance of transactions are reasonably representing the Company's state of affairs and the profits for the year.

2. BOARD OF DIRECTORS

As a Board, the Directors are committed to ethical and lawful conduct of business and possess the ability to see the affairs of the Company in the right direction. The Board places emphasis on highest standards of governance practices which allows the Company to carry on its business in the long term interest of the shareholders.

Statutory and material information are placed before the Board on quarterly basis and thus the Board discharges its responsibility in an effective manner.

a. Present Composition of Board of Directors:

The Board of Directors is constituted in such a way that it conforms to the provisions of the Companies Act, 2013 and to the conditions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Board of Directors ensures a mix of Executive and Non-Executive Directors as well as the combination of Independent and Non-Independent Directors.

The Board comprises of nine Directors, who in turn, in their individual capacity bring collective wisdom to the welfare of the Company. There are two Executive Non-Independent Directors, four Non-Executive Non-Independent Directors and three Non-Executive Independent Directors.

Sri B. Balchand is the Non-Executive Chairman. Sri S.N.Varadarajan, Executive Vice-Chairman and Sri Vinod Narsiman, Managing Director are the Executive Directors. Smt. D.Pushpa Varadarajan, Sri S.Inderchand, Sri K.S.Mahadevan are Non-Independent Non-Executive Directors, Dr. A.K.Sreedharan, Sri K.Ramakrishnan and Dr. T.C.P.Nambiar are the Non Executive Independent Directors.

There is no change in the composition of Directors during the period under review.

b. Board Meetings and last AGM attendance :

The details of the attendance of the Directors of the Board Meetings held during the year ended 31st March, 2016 and the last Annual General Meeting are given below :

Name of the Directors	No. of Board Meetings		Attendance at the AGM held on 16th December, 2015
	Held	Attended	
Sri B.Balchand	4	2	No
Sri S.N.Varadarajan	4	4	Yes
Sri Vinod Narsiman	4	4	Yes
Sri S.Inderchand	4	3	No
Smt D.Pushpa Varadarajan	4	4	No
Sri K.S.Mahadevan	4	4	Yes
Dr. A.K.Sreedharan	4	4	Yes
Dr. T.C.P.Nambiar	4	4	Yes
Sri K.Ramakrishnan	4	4	Yes

c. Other Directorship and Membership in the Committees

The names and categories of the Directors on the Board, the attendance during the year, the Committee Membership / Chairmanship held by them and the shares held by Directors are given below :-

Name of the Directors	Directorship held in other Companies		Committee Membership held in other Companies	
	As Director	As Chairman	As Director	As Chairman
Sri S.N. Varadarajan	7	-	-	-
Sri Vinod Narsiman	6	-	-	-
Smt. D. Pushpa Varadarajan	8	-	-	-
Sri S. Inderchand	4	-	-	-
Sri B. Balchand	-	4	-	-
Sri K.S. Mahadevan	2	-	-	-
Dr. T C P Nambiar	1	-	-	-
Dr. A.K. Sreedharan	1	-	-	-
Sri K. Ramakrishnan	2	-	-	-

d. Number of Board Meetings :

During the year, 4 Board Meetings were held and the gap between the two meetings did not exceed one hundred and twenty days. The Board Meetings were held on 17th August, 2015, 2nd November, 2015, 16th December, 2015 & 8th February, 2016.

e. Disclosure of Relationship between Directors inter-se :

Sri S.N.Varadarajan, Executive Vice-Chairman, Smt. D.Pushpa Varadarajan, Director and Sri Vinod Narsiman, Managing Director of the Company are related to each other. Sri Vinod Narsiman is son of Sri S.N.Varadarajan and Smt D.Pushpa Varadarajan. Further, none of the Directors are related to each other.

f. Shares held by Non-Executive Directors

The number of equity shares of the Company held by Non-Executive Directors, as on 31st March, 2016 are as follows :

Name of the Directors	No. of Equity Shares (face value of ₹ 10/- each) held in the Company
Smt. D.Pushpa Varadarajan	5,30,208
Sri S.Inderchand	1,44,630
Sri B.Balchand	66,666
Sri K.S.Mahadevan	93,000
Sri K.Ramakrishnan	1,800

g. The details of familiarisation programmes imparted to Independent Directors are given below :

A familiarization programme was conducted by Sri Vinod Narsiman, Managing Director, for the Independent Directors on 23rd March, 2016. Presentation is made to the Directors on an annual basis / periodical basis, briefing them on the operations of the Company, plans, strategy, risk involved, new initiatives etc., and their opinions and suggestions are taken.

Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Corporate Social Responsibility Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders, Code of Practices for Fair Disclosure of Unpublished Price Sensitive Information, Code of Conduct applicable to the Board of Directors including Key Managerial Personnel and Senior Management Personnel, Professional Code of Conduct for Independent and Non-executive Directors including SMP, Succession Planning for the Board and Senior Management, and Whistle Blower Policy were adopted.

The details of familiarization programme is available in the website of the Company: http://www.indsil.com/policies/

PROFILE OF BOARD OF DIRECTORS

Brief resume of the Directors, nature of their expertise in specific functional areas and name of Companies in which they hold Directorship and the Membership of the Committees of the Board are furnished hereunder :

- **Sri B. Balchand**

  Sri B.Balchand (71 Years) is the Non-Executive Chairman of Indsil Hydro Power and Manganese Limited. He is a reputed businessman of Coimbatore region with considerable contacts among business communities. He has been a Director of the Company since 1992. He is the Chairman of Mahaveers Saree Private Limited, Sarmangal Synthetics Private Limited, Sri Kedar Properties Private Limited & Sarmangal Properties Private Limited.

  Sri B.Balchand is the Member of Nomination & Remuneration Committee of the Company.

  Sri B.Balchand holds 66,666 equity shares in the Company including his Hindu Undivided Family (HUF).

  Sri B.Balchand was conferred "Life Time Achievement Award" by Rotary Club of Coimbatore Texcity.

- **Sri S.N.Varadarajan**

  Sri S.N.Varadarajan (70 Years) holds a Bachelor's degree in Commerce from Madras University. He is the founder Chairman of Indsil Group of Companies and Executive Vice-Chairman of the Company. Sri S.N.Varadarajan is the first generation self made Entrepreneur. He is in the field since 1992. He is the Pioneer in development of indigenous smelting technology for the manufacture of Ferro Alloys. Holder of UDYOG PATRA award in recognition for this achievement.

  Sri S.N.Varadarajan has developed indigenous process technology for the manufacture of Low Carbon Silico Manganese used in special steels and it is exported throughout the world to all major steel producers.

  Sri S.N.Varadarajan holds 10,90,208 equity shares in the Company.

  Sri S.N.Varadarajan is the Chairman of Corporate Social Responsibility Committee and Risk Management Committee of the Company.

  Sri S.N.Varadarajan is also on the Board of Sunmet Holdings India Private Limited, Indsil Energy and Electrochemicals Private Limited, SNV Investments Private Limited, SNV Holdings Private Limited, Sun Metals & Alloys Private Limited, SNV Real Estate Private Limited & Indsil Agrocarb Private Limited.

- **Sri Vinod Narsiman**

  Sri Vinod Narsiman (44 Years) is the Managing Director of Indsil Hydro Power and Manganese Limited. He is B.E., (Mechanical), MBA., (University of Michigan) graduate. Sri Vinod Narsiman is in the field since 1997.

  Sri Vinod Narsiman is son of Sri S.N.Varadarajan, Executive Vice-Chairman and Smt. D.Pushpa Varadarajan, Director of the Company. Other than the said Directors, he is not related to any other Director.

  Sri Vinod Narsiman is a Member of Audit Committee, Compensation Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Company.

  Sri Vinod Narsiman holds 1,73,220 equity shares in the Company.

  Sri Vinod Narsiman is also on the Board of Sunmet Holdings India Private Limited, Indsil Energy and Electrochemicals Private Limited, SNV Holdings Private Limited, Sun Metals & Alloys Private Limited, SNV Real Estate Private Limited and Indsil Agrocarb Private Limited.

- **Sri S. Inderchand**

  Sri S.Inderchand (69 Years) is one of the Directors of the Company. He holds Bachelor's degree in Commerce.

  Sri S.Inderchand is actively involved in the Chamber of Commerce and Industry of Coimbatore and served as Treasurer for 4 years.

  Sri S.Inderchand is a Trustee of Sri Bhagwan Mahaveer Jain Educational & Cultural Society and President of Marudhar Kesari Shiksha Samiti. He is the Director of Shree Sairam Chit Funds (Madras) Private Limited, Shree Sarathy Hirepurchase and Finance Private Limited and Valley View Projects Private Limited. He joined the Board of the Company on 30.08.1990.

  He is the Chairman of Share Transfer Committee and Stakeholders Relationship Committee and he is a Member of the Compensation Committee of the Company.

  Sri S. Inderchand holds 1,44,630 equity shares in the Company.

- **Smt. D. Pushpa Varadarajan**

  Smt D.Pushpa Varadarajan (68 Years) holds B.A.Hons., B.Ed., degree. She is the wife of Sri S.N.Varadarajan, Executive Vice-Chairman and she is the first Director of the Company since its inception.

  Smt D.Pushpa Varadarajan is the Member of Stakeholders Relationship Committee and Share Transfer Committee.

  Smt D.Pushpa Varadarajan is also on the Board of Sunmet Holdings India Private Limited, SNV Investments Private Limited, Indsil Energy and Electrochemicals Private Limited, Sun Metals and Alloys Private Limited, SNV Real Estate Private Limited, SNV Holdings Private Limited, Crosimn Agencies Private Limited and Indsil Agrocarb Private Limited.

  She holds 5,30,208 equity shares in the Company.

- **Sri K.S. Mahadevan**

  Sri K.S.Mahadevan (68 Years) is a reputed businessman of Erode region. He is one of the Directors of the Company.

  Sri K.S.Mahadevan is the Director of Mothi Garments (India) Private Limited and Erode Pharma Private Limited.

  Sri K.S.Mahadevan holds 93,000 equity shares in the Company.

- **Dr. A.K. Sreedharan**

  Dr.A.K.Sreedharan (79 Years) is a well known person in Palakkad, Kerala. He is a Doctor by profession and holds M.S.(General Surgery), FRCS, FICS (US), FRSH (London).

  He is an Independent Director of the Company.

  Dr. A.K. Sreedharan is the Chairman of Audit Committee, Nomination & Remuneration Committee and Compensation Committee of the Company.

  Dr. A.K. Sreedharan is the Chairman of Fort Hospital Limited and Trinity Eye Care Private Limited.

- **Dr. T.C.P.Nambiar**

  Dr. T.C.P Nambiar (76 Years) is a Registered Homeopathy Medical Practitioner. He is President of various associations such as Kairali Cultural Association and Secretary of Federation of All India Marundan Malayalee Association.

  He is also on the Board of Kairali Garden Private Limited.

  Dr. T.C.P Nambiar is the Member of Audit Committee and Nomination & Remuneration Committee.

  Dr. T.C.P Nambiar is an Independent Director of the Company.

- **Sri K.Ramakrishnan**

  Sri K. Ramakrishnan (55 Years) is a Director and also holding the position of Occupier of the factory of the Company.

  He is having good experience in the technical aspects of the factory equipments that are being utilised for the manufacture of Company's products.

  Sri K.Ramakrishnan is an Independent Director of the Company. Sri K.Ramakrishnan is on the Board of Sun Metals and Alloys Private Limited and Sree Mahalakshmi Smelters Private Limited.

  Sri K.Ramakrishnan holds 1,800 equity shares of the Company.

3. AUDIT COMMITTEE

a. Brief description of terms of reference :

The primary objective of this Committee is to monitor and provide effective supervision of the financial control and reporting process. The terms of reference of the Audit Committee are in tandem with those laid down by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Section 177 of the Companies Act, 2013. In particular, the Committee would review the financial reporting process, internal audit process, adequacy of internal control systems, risk management policies and management audit process. The Committee would also adopt matters such as Auditors' Report, appointment of Statutory Auditors and fixation of their remuneration before consideration by the Board of Directors.

Company Secretary of the Company is the Secretary of the Committee.

b. Composition, name of Members and Chairperson :

The Committee consists of 2 Non-Executive Independent Directors Dr. A.K. Sreedharan as Chairman of the Committee and Dr. T C P Nambiar as Member of the Committee. Sri Vinod Narsiman is the other Member of the Committee.

c. Audit Committee Meetings and attendance during the financial year ended 31st March, 2016.

The Committee met 4 times during the year on 17th August, 2015, 2nd November, 2015, 16th December, 2015 and 8th February, 2016. The attendance of the Members at the meetings is stated below.

Members	No. of Meetings	
	Held	Attended
Dr. A K Sreedharan	4	4
Dr. T C P Nambiar	4	4
Sri Vinod Narsiman	4	4

The Chairman of the Committee Dr. A.K. Sreedharan was present at the Annual General Meeting held on 16th December, 2015.

4. NOMINATION AND REMUNERATION COMMITTEE

a. Brief description of terms of reference :

- To identify persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel / Senior Managerial Personnel in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other Senior Managerial Personnel and employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of Committee's duties.

b. Composition, names of Members and Chairperson :

The Nomination and Remuneration Committee consists of the following Directors as Members :

1) Dr. A.K.Sreedharan - Chairman
2) Dr. T.C.P.Nambiar - Member
3) Sri B.Balchand - Member

c. Nomination and Remuneration Committee Meetings and attendance during the financial year ended 31st March, 2016.

During the year, two meetings of Nomination and Remuneration Committee were held on 2nd November 2015 and 8th February, 2016 and all the Members attended the meeting.

d. Performance evaluation of Directors :

Pursuant to applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board in consultation with Nomination and Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance of evaluation of Independent Directors and the Board of Directors of the Company.

Criteria for Performance Evaluation of Independent Directors :

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors and shall carry out evaluation of every Director's performance.

5. REMUNERATION OF DIRECTORS

a. There were no pecuniary transactions with any Non-Executive Director of the Company.

b. Non-Executive Directors are paid Sitting Fees for attending the Board and Committee Meetings and also paid Commission.

Following are the details of Sitting Fees and Commission paid to the Directors for attending Board and Committee Meetings during the year ended 31st March, 2016 :

(in ₹)

Name of the Director	Sitting Fees	Commission	Others (meeting expenses)	Total
Sri B.Balchand	7,500	1,00,000	10,000	1,17,500
Smt D.Pushpa Varadarajan	35,000	1,00,000	40,000	1,75,000
Sri S.Inderchand	32,500	1,00,000	51,000	1,83,500
Sri K.S.Mahadevan	10,000	1,00,000	17,500	1,27,500
Dr. A.K.Sreedharan	17,500	1,00,000	17,500	1,35,000
Dr. T.C.P.Nambiar	17,500	1,00,000	8,000	1,25,500
Sri K. Ramakrishnan	10,000	-	-	10,000

c. The Remuneration paid to the Whole-time Directors during the year is as follows :

(₹ in Lakhs)

Name of the Director and Designation	Salary	Benefits (Perquisites)	Bonus	Pension	Commission	Service Contracts	Notice Period	Total
Sri S.N.Varadarajan Executive Vice-Chairman	4.5	0.54	-	-	9.77	Appointment for a period of 5 years	As per rules of the Company	14.81
Sri Vinod Narsiman Managing Director	4.5	0.32	-	-	9.99	Appointment for a period of 5 years	As per rules of the Company	14.81

d. Employee Stock Option Scheme

The Employee Stock Option Scheme was amended as INDSIL ESOS, 2015 and the constitution of the Board of Trustees of the said Scheme was also amended during the year. As per the present composition, the Sole Trustee is Dr K.S.Ravichandran, M.Com, LLB., FCS., Ph.D., No options were granted under the Scheme during the period under review.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

a. Composition

The Stakeholders' Relationship Committee (formerly known as Shareholders Grievance Committee) was constituted by the Board on 30th July, 2001 and it comprises of Sri S. Inderchand (Chairman) and Smt. D. Pushpa Varadarajan (Member).

b. Name and Designation of Compliance Officer :

Sri S.Mahadevan, Company Secretary

c. Number of Shareholders complaints so far : Nil

d. Number of Complaints not resolved to the satisfaction of the shareholders : Nil

e. Number of pending complaints : Nil

7. GENERAL BODY MEETINGS

a. The details of date, location and time of the last three Annual General Meetings held are as under :

Financial year	Date	Time	Venue
2014-15	16.12.2015	11.00 AM	The Indian Chamber of Commerce & Industry, Coimbatore, Chamber Towers,8/732, Avinashi Road, Coimbatore 641 018.
2013-14	19.12.2014	10.15 AM	The Indian Chamber of Commerce & Industry, Coimbatore, Chamber Towers,8/732, Avinashi Road, Coimbatore 641 018.
2012-13	13.12.2013	10.15 AM	The Indian Chamber of Commerce & Industry, Coimbatore, Chamber Towers,8/732, Avinashi Road, Coimbatore 641 018.

b. Special Business passed during the previous three Annual General Meetings :

ANNUAL GENERAL MEETING, 2015

1) Ratification of remuneration of Cost Auditor

2) Related Party Transactions

ANNUAL GENERAL MEETING, 2014

1) Re-appointment of Sri S.N.Varadarajan as Executive Vice-Chairman.

2) Approval for Borrowing Powers.

3) Approval for subscription / purchase of shares / issuance of Corporate Guarantees / provision of Loans to Body(ies) Corporate.

4) Approval for Related Party Transactions

ANNUAL GENERAL MEETING, 2013

NIL

c. Special Resolution passed last year through Postal Ballot

Postal Ballot as per Clause 35B of the Listing Agreement was done for replacing the INDSIL ESOS, 2008 with INDSIL ESOS, 2015. The shareholders had overwhelmingly approved the new INDSIL ESOS, 2015.

Details of voting pattern :

Particulars	No. of Equity Shares (Votes)	% of voting at the meeting
Votes in favour of the Resolution	8860156	99.99
Votes against the Resolution	296	0.01
Total number of Votes casts	8859860	100.00

d. Scrutinizer for the postal ballot exercise :

Mr.C.V. Madhusudhanan, Company Secretary in Practice, KSR & Co Company Secretaries LLP., Indus Chambers, No.101 Govt. Arts College Road, Coimbatore 641 018.

e. Whether any Special Resolution is proposed to be conducted through Postal Ballot :

If any need arises, Special resolution will be proposed through Postal Ballot at the appropriate time.

f. Procedure for Postal Ballot :

Procedure for Postal Ballot is followed accordingly whenever Special Resolution is proposed through Postal Ballot.

MEANS OF COMMUNICATION

A. QUARTERLY RESULTS

Quarterly results, dividend announcements, book closure / record dates are intimated to the Bombay Stock Exchange where the Company's shares are listed and also published in the Newspapers, Mint in English and Makkal Kural in Tamil. The soft copies of the Annual Reports are sent to those shareholders whose email addresses are available. Further, physical copies of the Annual Reports are also sent to those shareholders whose email addresses are not available with the Company.

B. NEWSPAPER RESULTS WHEREIN NORMALLY PUBLISHED

Results of the Company are normally published in widely circulated newspapers viz., The Mint in English and Makkal Kural in Tamil.

C. ANY WEBSITE WHERE DISPLAYED

The results of the Company are displayed in the Company's website : http: //www.indsil.com/financial information/

D. WHETHER IT ALSO DISPLAYS OFFICIAL NEWS RELEASES

Official news release along with quarterly results are displayed in the Company's website : http: //www.indsil.com/news/

E. PRESENTATION MADE TO INSTITUTIONAL INVESTORS OR TO THE ANALYSTS

Not Applicable.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting

a. Date & Day : Wednesday, the 14th September, 2016

b. Time : 10.00 A.M.

c. Venue : The Indian Chamber of Commerce and Industry, Coimbatore
Chamber Towers, 8/732 Avanashi Road
Coimbatore 641 018

2. Financial Calendar for 2016-17 :

Declaration of financial results:

Unaudited financial results for the 1st quarter	:	before 15th August, 2016
Unaudited financial results for the 2nd quarter	:	before 15th November, 2016
Unaudited financial results for the 3rd quarter	:	before 15th February, 2017
Unaudited financial results for the 4th quarter	:	before 30th May, 2017
Annual General Meeting for the financial year ending 31st March, 2016	:	Within 6 months from the close of the accounting year
3. Dividend payment	:	Dividend on equity shares, if approved, will be paid within the stipulated time as prescribed
4. Name & Address of the Stock Exchange & Scrip code of the Company	:	The Bombay Stock Exchange Ltd Phirozejeejeebhoy Towers, Dalal Street, Mumbai - 400 001, 522165

5. Stock price data.

High / Low prices during the financial year 2015-16 on The Bombay Stock Exchange Ltd.

Month & Year	High ₹	Low ₹
July, 2015	45.40	30.20
August, 2015	45.70	34.65
September, 2015	37.00	31.00
October, 2015	39.00	33.70
November, 2015	44.50	32.95
December, 2015	46.70	35.60
January, 2016	46.00	34.50
February, 2016	41.00	32.50
March, 2016	38.60	33.00

6. There was no suspension of trading in securities of the Company during the year under review.

7. Registrars and Share Transfer Agents

Both physical and demat segments are handled by the Company's Registrars & Share Transfer Agents namely S.K.D.C.Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391 / A-1, Sathy Road, Ganapathy, Coimbatore 641 006. Phone : 0422-6549995, 2539835 / 6 . e-mail : info@skdc-consultants.com

8. Share Transfer System

The share transfers are registered and returned within the stipulated time, if the documents are in order.

9. Distribution of shareholding as on 31st March, 2016.

Range (Value in ₹)	No. of Shareholders	%held (% No. of Shareholders)	Face value of shares (₹)	% held (% Value)
Up to 5000	6108	79.25	11659240	7.34
5001 to 10000	786	10.20	6338710	3.99
10001 to 20000	397	5.15	6041580	3.80
20001 to 30000	124	1.61	3028540	1.91
30001 to 40000	63	0.82	2214580	1.39
40001 to 50000	65	0.84	2999450	1.89
50001 to 100000	75	0.97	5734240	3.61
100001 and above	89	1.15	120851580	76.07
TOTAL	**7707**	**100.00**	**158867920**	**100.00**

10. Dematerialisation of shareholdings and liquidity :

As on 31st March, 2016, 1,52,22,980 shares constituting 95.82% of the total paid-up capital of the Company have been dematerialized. In view of the numerous advantages offered by the depository system, shareholders are requested to avail of the facility of dematerialisation of the Company's shares.

For guidance on Depository services, shareholders may write to the Company.

11. Outstanding GDR/ADR/Warrants and convertible bonds, conversion date and likely impact on equity.

The Company has not issued any GDR/ADR or convertible bonds.

12. Plant locations

Smelter Plant : VI-679 Pallatheri, Elapully, Palakkad Dist. 678 007, Kerala

Rajakkad Hydro Electric Power Plant : VIII/351, Rajakkad, Idukki Dist. 685 566, Kerala

(a) Subsidiary Company

Sree Mahalakshmi Smelters Private Limited : Merakamudidam Mandalam, Garbham 535 102 Vizianagaram Dist (A.P)

(b) Joint Venture Company

Al-Tamman Indsil Ferro Chrome LLC : CR No. 1090488, P.O Box 592, Al Hamriya Postal Code 131, Sultanate of Oman

(c) Wholly Owned Subsidiary (WOS) : Indsil Hydro Global (FZE)
SAIF Lounge P.O. Box 9049
Sharjah Airport International Free Zone (SAIF) UAE

13. Address for correspondence : Indsil Hydro Power and Manganese Limited
"INDSIL HOUSE", T.V. Samy Road (West)
R.S. Puram, Coimbatore 641 002.

Phone : (+91/0) (422) 4522922, 23, 24
Fax : (+91/0) (422) 4522925
e-mail : indsilho@indsil.com

14. Compliance Officer : Sri S. Mahadevan
Company Secretary

Direct Phone : (+91/0) (422) 4522904
e-mail : mahadevan@indsil.com

15. Other Disclosures :

(a) Code of Conduct to regulate monitor and report trading by insider

The Company has adopted fresh Code of Conduct to regulate, monitor and report trading by insider as per SEBI regulations of Prohibition of Insider Trading (PIT) which came into force with effect from 15th May, 2015 for its Directors and Senior Management Personnel, employees and such other persons having professional / business association with the Company that allows directly or indirectly access to Unpublished Price Sensitive Information (UPSI). This Code of Conduct helps to maintain the standards of business conduct for the Company and ensures compliance with legal requirements by the Company. The purpose of the code is to deter wrong doing and promote ethical conduct. All the Board Members and Senior Management Personnel and such other persons have affirmed compliance with the Code on an annual basis and whenever the necessity arises.

b) During the financial year ended 31st March, 2016, there were no materially significant Related Party transactions, which had potential conflict with the interest of the Company at large. The transactions with Related parties are disclosed in the notes no. 2.32 to the Annual Accounts.

(c) Details of Non-Compliance :

A Statement of Compliance with all Laws and Regulations as certified by the Company Secretary is placed at periodic intervals for review by the Board.

The Statement relating to financials are certified by the Managing Director and Chief Financial Officer of the Company is placed annually for review of the Board.

There were no instances of non-compliance, penalty or structures imposed on the Company by Stock Exchange or SEBI or any Statutory authority, on any matter related to capital markets, during the last three years.

No penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital markets over the last three years.

(d) Details of establishment of Vigil Mechanism :

The Board of Directors of the Company has adopted the Vigil Mechanism. Employees can report to the Management concerned unethical behaviour, act or suspected fraud or violation of the Company's Code of Conduct.

A Mechanism has been established for the Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and ethics. It also provides for adequate safeguards against the victimization of Employees to avail the Mechanism and allows direct access to the Chairman of the Audit Committee.

The Audit Committee reviews periodically the functions of Whistle Blower Mechanism. No person has been denied to access to the Audit Committee.

(e) Details of Complaints with mandatory requirements and adoption of discretionary requirements :

The Company has complied with all the mandatory requirements of Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regard to the discretionary requirements, the Company has adopted clauses relating to the following :

The Company has moved towards a regime of financial statements with unmodified Audit opinion.

The Company has separated the Office of Chairperson and the Managing Director who is also the Chief Executive Officer.

(f) The Company complied with the requirements of the Schedule V of Corporate Governance of sub-paras (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(g) The disclosure of the compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows :

Regulation	Particulars of Regulation	Compliance Status Yes / No
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46 (2)(b) to (i)	Website	Yes

(h) Details on use of public funds obtained in the last three years

No funds have been raised from public in the last three years.

ANNUAL CERTIFICATION BY EXECUTIVE VICE - CHAIRMAN

Such certification forms part of this Annual Report.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT OR UNCLAIMED SUSPENSE ACCOUNT

Unclaimed equity shares are held in the name of Indsil Hydro Power and Manganese Limited - Demat Suspense Account maintained with Cholamandalam Securities Limited, 3rd Floor, 301 & 302 Raheja Centre, 1073 & 1074 Avinashi Road, Coimbatore 641 018.

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account :

S. No	Particulars	No. of Shareholders	No. of equity shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	440	67,302
2.	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year.	2	3,800
3.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	-	-
4.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year ie., 31st March, 2016.	440	67,302

The voting rights on the shares outstanding in the Suspense Account as on 31st March, 2016 shall remain frozen till the rightful owner of such shares claims the shares.

The Company has adopted the Policy on Determination of Materiality for disclosure of events or informations to Stock Exchange in accordance with the Regulation 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
R. MURALI
Chief Financial Officer

Place : Coimbatore
Date : 5th August, 2016

ANNUAL CERTIFICATION BY EXECUTIVE VICE - CHAIRMAN UNDER REGULATION 26(2) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As Executive Vice - Chairman of Indsil Hydro Power and Manganese Limited and as required under Regulation 26(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Regulations, I hereby declare and certify that all the Board Members, Key Managerial Personnel and Senior Managerial Personnel of Indsil Hydro Power and Manganese Limited have affirmed compliance with the Code of Conduct adopted by the Company for the financial year 2015-16.

Place : Coimbatore
Date : 5th August, 2016

For **INDSIL HYDRO POWER AND MANGANESE LIMITED**

Sd/-
S.N. VARADARAJAN
Executive Vice - Chairman

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of INDSIL HYDRO POWER AND MANGANESE LIMITED

We have examined the compliance conditions of Corporate Governance by INDSIL HYDRO POWER AND MANGANESE LIMITED ("the Company") for the year ended 31st March 2016, as stipulated in Clause 49 of Llisting Agreement ("Listing Agreement") of the Company with the Stock Exchange for the period 1st July 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) of the listing regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulation applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-
R.RAMCHANDAR
Company Secretary
Membership No. 33068
CP No : 12240

Place : Coimbatore
Date : 5th August, 2016

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)

To
The Board of Directors
Indsil Hydro Power and Manganese Limited
Coimbatore - 641 002

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of of Indsil Hydro Power and Manganese Limited ("the Company"), to the best of our knowledge and belief certify that :

I. We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2016 and based on our knowledge and belief, we state that :

   a) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.

   b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

II. We further state that to the best of our knowledge and belief, there are no transactions Entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

III. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

IV. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed tothe Auditors and the Audit Committee, deficiencies in the design or operation of internalcontrols, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

V. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee.

   a. significant changes, if any, in the internal control over financial reporting during the year.

   b. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements ; and

   c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
R. MURALI
Chief Financial Officer

Place : Coimbatore
Date : 5th August, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S.INDSIL HYDRO POWER AND MANGANESE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of INDSIL HYDRO POWER AND MANGANESE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March,2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;

(b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

(c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure - A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the Directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure - B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 7 of Annexure to the Independent Auditors Report.

      ii. The Company does have long term contracts including derivative contracts for which there are no material foreseeable losses. Refer Note no 2.45 to the Financial Statements

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s. Raja & Raman
Chartered Accountants
Firm Registration No.003382S

Sd/-
E. R. Rajaram, FCA,
Partner
Membership No. 018755

Coimbatore
26th May, 2016

ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's report to the members of M/s INDSIL HYDRO POWER AND MANGANESE LIMITED for the year ended 31st March 2016. We report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) The fixed assets have been physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   (c) The title deeds of all the immovable properties of the Company shown under the Fixed Assets Schedule are held in the name of the Company.

2. (a) The Management has carried out physical verification of inventory at reasonable intervals.

   (b) No discrepancies were noticed at the time of verification.

3. The Company has granted loans, to its Subsidiary Company covered in the register maintained U/s. 189 of the Act, during the year and the total amount overdue for a period exceeding 90 days as at 31st March, 2016 is ₹12,14,54,428/-.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records U/s. 148 of the Companies Act 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) According to information and explanations given to us and on the basis of our examination of the records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

   (b) According to the information and explanations given to us, in our opinion, there is no disputed statutory dues including Income tax, Wealth tax, Excise duty, Service tax and Cess payable at the last day of the Financial year concerned for a period more than 6 months from the date they became payable.

   Details of dues of Customs duty and Income tax as on 31st March, 2016 on account of disputes are given below.

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates (financial year)	Amount involved ₹
The Customs Act, 1962	Customs Duty	CESTAT	2012 - 2013	28,99,045
The Customs Act, 1962	Customs Duty	CESTAT	2013 - 2014	64,54,508
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2012 - 2013	1,61,25,350

8. Based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of dues to its banks, financial institutions and the Company has not issued any debentures.

9. The Company has not raised any moneys by way of Initial Public Offer / Further Public Offer during the year. In our opinion, the moneys raised by way of Term Loans during the year were applied for the purposes for which those are raised.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11. Based on the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. The Company is not a Nidhi Co. and therefore clause 3(xii) of the Order is not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. Based upon the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares during the year and therefore clause 3 (xiv) of the Order are not applicable to the Company.

15. The Company has not entered into any non-cash transactions with Directors or persons connected with him as stipulated under Section 192 of the Act. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

16. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For M/s. Raja & Raman
Chartered Accountants
Firm Registration No.003382S

Sd/-
E. R. Rajaram, FCA,
Partner
Membership No. 018755

Coimbatore
26th May, 2016

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Indsil Hydro Power and Manganese Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s. Raja & Raman
Chartered Accountants
Firm Registration No.003382S

Sd/-
E. R. Rajaram, FCA,
Partner
Membership No. 018755

Coimbatore
26th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE No.	As at 31.03.2016 ₹		As at 30.06.2015 ₹	
I EQUITY AND LIABILITIES					
Shareholder's funds					
(a) Share Capital	2.01	15,88,67,920		15,88,67,920	
(b) Reserves and Surplus	2.02	82,29,64,714		79,25,52,228	
			98,18,32,634		95,14,20,148
Non- current liabilities					
(a) Long-term borrowings	2.03	15,41,66,665		5,72,91,666	
(b) Deferred Tax liabilities (Net)	2.04	2,19,41,749		2,53,25,539	
(c) Long-term Provisions	2.05	12,42,24,084		12,37,43,699	
			30,03,32,499		20,63,60,905
Current Liabilities					
(a) Short term borrowings	2.06	14,64,66,153		16,28,56,287	
(b) Trade payables	2.07	13,50,87,575		16,76,49,171	
(c) Other current liabilities	2.08	9,19,77,340		8,65,80,608	
(d) Short term provisions	2.09	1,55,11,698		1,90,64,150	
			38,90,42,767		43,61,50,216
TOTAL			**167,12,07,900**		**159,39,31,269**
II ASSETS					
Non-current assets					
(a) Fixed assets	2.10				
(i) Tangible assets		34,67,89,807		37,46,72,570	
(ii) Intangible assets under development		9,65,811		13,27,867	
(b) Non-current investments	2.11	21,86,80,590		21,86,80,590	
(c) Long-term loans and advances	2.12	16,63,07,473		15,32,06,874	
			73,27,43,682		74,78,87,901
Current assets					
(a) Current investments	2.13	5,48,652		5,05,570	
(b) Inventories	2.14	22,87,65,378		32,60,00,593	
(c) Trade receivables	2.15	21,46,93,087		17,70,00,140	
(d) Cash and Cash equivalents	2.16	4,22,70,992		4,84,71,388	
(e) Short-term loans and advances	2.17	44,58,74,825		28,35,33,107	
(f) Other Current assets	2.18	63,11,285		1,05,32,569	
			93,84,64,218		84,60,43,368
TOTAL			**167,12,07,900**		**159,39,31,269**

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	PARTICULARS	NOTE No.	YE 31.03.2016 (9 Months) ₹		YE 30.06.2015 (12 Months) ₹	
	Revenue					
I	Revenue from operations	2.19	65,26,70,226		111,12,98,930	
II	Other Income	2.20	7,76,87,410		12,31,30,324	
III	**Total Revenue (I + II)**			73,03,57,636		123,44,29,254
IV	Expenses :					
	Cost of Materials Consumed	2.21	30,69,37,874		52,86,91,833	
	Purchases of Stock-in-Trade		4,91,76,916		20,00,29,903	
	Changes in inventories of finished goods, Work in progress and Stock-in-trade	2.22	3,65,75,096		(3,16,80,382)	
	Other Manufacturing expenses	2.23	12,03,59,498		14,72,25,565	
	Employee benefits expense	2.24	5,74,63,459		7,64,92,981	
	Finance Costs	2.25	3,80,88,947		5,05,48,016	
	Depreciation and amortization expenses	2.26	3,25,60,891		4,26,98,624	
	Other expenses	2.27	4,32,70,770		7,03,49,345	
	Total Expenses			68,44,33,452		108,43,55,886
V	Profit before exceptional and extraordinary items and tax (III-IV)			4,59,24,184		15,00,73,368
VI	Extraordinary items			-		-
VII	Profit before tax (V-VI)			4,59,24,184		15,00,73,368
VIII	Tax expense:					
	Current tax		1,54,68,857		5,01,98,622	
	MAT Adjustment		(61,05,444)		(1,87,42,494)	
	Deferred tax		(33,83,790)		(28,50,133)	
				59,79,623		2,86,05,996
IX	Profit for the year (VII - VIII)			3,99,44,561		12,14,67,372
X	Earnings per equity share:					
	(1) Basic	2.28		2.51		7.65
	(2) Diluted			2.51		7.65

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

2.01 SHARE CAPITAL

Particulars	31.03.2016 ₹	30.06.2015 ₹
AUTHORIZED		
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
	25,00,00,000	25,00,00,000
ISSUED		
1,58,86,792 Equity Shares of ₹ 10/- each fully paid up	15,88,67,920	15,88,67,920
(30th June 2012 : 1,58,86,792 Equity Shares of ₹10/- each)	15,88,67,920	15,88,67,920
SUBSCRIBED AND PAID UP		
1,58,86,792 Equity Shares of ₹ 10/- each (30th June 2012 : 1,58,86,792 Equity Shares of ₹10/- each)	15,88,67,920	15,88,67,920
	15,88,67,920	**15,88,67,920**

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	31.03.2016		30.06.2015	
	Number of Shares	Value (in ₹)	Number of Shares	Value (in ₹)
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	31.03.2016		30.06.2015	
	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%
Sri. 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	Value (in ₹)
Equity Shares allotted as fully paid bonus shares pursuant to capitalisation of reserves in 2010-11.	63,54,717	6,35,47,170

NOTES TO FINANCIAL STATEMENTS (Contd.)

2.02 RESERVES & SURPLUS

Particulars	31.03.2016 ₹	30.06.2015 ₹
1. **Securities Premium Account**		
Opening balance	96,92,956	94,04,356
Add: Credit on Exercise of ESOS Shares during the year (No. of shares issued : 4,625 shares @ ₹ 62.40)	-	2,88,600
Closing balance	96,92,956	96,92,956
2. **General Reserves :**		
Opening balance		
Add:	12,67,60,003	12,67,60,003
Closing balance	12,67,60,003	12,67,60,003
3. **Surplus**		
Opening balance	65,60,99,269	54,98,83,598
(+) Profit/(Loss) for the current year	3,99,44,561	12,14,67,372
(-) Proposed Dividends	(95,32,075)	(1,90,64,150)
(-) Tax on Proposed Dividends	-	38,12,449
Closing balance	68,65,11,755	65,60,99,269
Closing Balance	**82,29,64,714**	**79,25,52,228**

2.03 LONG TERM BORROWINGS

Particulars	31.03.2016 ₹	30.06.2015 ₹	31.03.2016 ₹	30.06.2015 ₹
	Non Current		Current Maturities	
Secured				
Term loans from Banks				
- Rupee Loan	15,41,66,665	5,72,91,666	4,54,16,668	2,60,41,667
- Foreign Currency Loan	-	-	42,89,056	1,71,56,245
Total	**15,41,66,665**	**5,72,91,666**	**4,97,05,724**	**4,31,97,912**

ECB Loan of 93,750 USD oustanding in Standard Chartered Bank is repayable in one quarterly instalments of USD 93,750 each . Interest is payable at LIBOR plus 300 BPS on a quarterly basis. The loan is secured by way of first pari passu charge on the fixed assets of the Company and second pari passu charge on the current assets of the Company . The loan has been repaid on 28th April, 2016.

The Company has availed 5 Crores Rupee term loan from Export Import Bank of India repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on the movable and immovable assets of the Company and second pari passu charge on the entire current assets of the Company.

The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2014 repayable in 12 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	31.03.2016 ₹	30.06.2015 ₹
2.04 DEFERRED TAXES		
Deferred Tax Liabilities due to Depreciation on Fixed assets	2,19,41,749	2,53,25,539
Total	**2,19,41,749**	**2,53,25,539**
2.05 LONG TERM PROVISIONS		
Provision for Gratuity	1,32,74,654	1,27,94,269
Provision for Electricity demands	11,09,49,430	11,09,49,430
Total	**12,42,24,084**	**12,37,43,699**
2.06 SHORT TERM BORROWINGS		
Secured :		
Working Capital facilities from banks		
- In Rupee	14,64,66,153	16,28,56,287
Total	**14,64,66,153**	**16,28,56,287**

Working capital facilities from State Bank of Travancore, IDBI Bank Ltd, Standard Chartered Bank 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 State Bank of Travancore, Standard Chartered Bank and Yes Bank Ltd are further guaranteed by the personal guarantee of Sri. Vinod Narsiman, Managing Director to the extent of limit sanctioned.

Working Capital facilities from Banks are repayable on demand and carries interest rates varying from 10% to 14% p.a. Packing Credit in Foreign Currency is repayable on demand and carries interest LIBOR plus 250 BPS. to LIBOR plus 300 BPS. For Buyers Credit in Foreign Currency is repayable on demand and carries interest LIBOR plus 60 BPS to LIBOR plus 150 BPS.

2.07 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	-	-
Others	13,50,87,575	16,76,49,171
Total	**13,50,87,575**	**16,76,49,171**

The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information and evidence available with the Company, there are no dues / interest payable to micro, small and medium enterprises.

2.08 OTHER CURRENT LIABILITIES		
Current maturities of Long Term Borrowings (Refer Note No. 2.03)	4,97,05,724	4,31,97,912
Advance from Customers	-	-
Unclaimed Dividends	23,06,543	21,74,200
Accrued Employee benefits	66,18,427	49,35,351
Statutory liabilities	23,90,563	11,44,540
Other payables	3,09,56,082	3,51,28,605
Total	**9,19,77,339**	**8,65,80,608**
2.09 SHORT TERM PROVISIONS		
Proposed Dividend	95,32,075	1,90,64,150
Tax on Proposed Dividend	-	-
Provision for Employee Benefits		
Provision for Income Tax (Net)	59,79,623	-
Total	**1,55,11,698**	**1,90,64,150**

NOTES TO FINANCIAL STATEMENTS (Contd.)

2.10 FIXED ASSETS

(In ₹)

Particulars		Gross Block				Depreciation				Net Block	
		Cost as on 1.7.2015	Additions during the year	Deduction during the year	Cost as on 31.3.2016	Upto 30.6.2015	For the year	Deduction during the year	Upto 31.3.2016	WDV as on 31.3.2016	WDV as on 30.6.2015
Tangible Assets											
Land											
Industrial Plot		2,74,46,106	1,02,070	-	2,75,48,176	-	-	-	-	2,75,48,176	2,74,46,106
Building		29,90,93,581	6,60,483	-	29,97,54,064	14,90,97,014	75,31,945	-	15,66,28,959	14,31,25,105	14,99,96,567
Plant and Equipment		55,56,87,599	27,26,680	4,02,271	55,80,12,008	37,85,27,266	2,26,33,326	10,416	40,11,50,176	15,68,61,832	17,71,60,334
Electrical Installation		2,14,20,214	5,87,000	-	2,20,07,214	2,10,48,027	1,71,984	-	2,12,20,011	7,87,203	3,72,187
Other Equipments		26,02,663	-	-	26,02,663	26,02,663	-	-	26,02,663	-	-
Furnitures & Fixtures		41,13,983	1,38,992	-	42,52,975	37,35,642	1,91,511	-	39,27,153	3,25,822	3,78,341
Vehicles (Cars)		56,49,214	-	-	56,49,214	26,73,796	4,04,344	-	30,78,140	25,71,074	29,75,418
Office Equipment		49,62,585	3,28,705	-	52,91,290	30,49,382	1,91,374	-	32,40,756	20,50,534	19,13,203
Computers		63,72,761	1,74,411	-	65,47,173	61,06,805	4,12,774	-	65,19,579	27,594	2,65,956
Tractors & Trailors		12,10,128	-	-	12,10,128	12,10,128	-	-	12,10,128	-	-
Transmission Lines		267,04,116	-	-	2,67,04,116	1,25,39,656	6,71,993	-	1,32,11,649	1,34,92,467	1,41,64,459
	SUB TOTAL (A)	**95,52,62,950**	**47,18,341**	**4,02,271**	**95,95,79,020**	**58,05,90,378**	**3,22,09,251**	**10,416**	**61,27,89,213**	**34,67,89,807**	**37,46,72,571**
Intangible Assets											
ERP Software		24,13,704	-	-	24,13,704	10,85,837	3,62,056	-	14,47,893	9,65,811	13,27,867
	SUB TOTAL (B)	**24,13,704**	**-**	**-**	**24,13,704**	**10,85,837**	**3,62,056**	**-**	**14,47,893**	**9,65,811**	**13,27,867**
Total [A + B]	**(Current Year)**	**95,76,76,654**	**47,18,341**	**4,02,271**	**96,19,92,724**	**58,16,76,215**	**3,25,71,307**	**10,416**	**61,42,37,106**	**34,77,55,618**	**37,60,00,438**
	(Previous Year)	**94,77,69,694**	**57,82,104**	**5,82,232**	**95,29,69,566**	**49,95,82,774**	**3,97,83,592**	**3,70,060**	**53,89,96,307**	**41,39,73,260**	**44,81,86,919**

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	31.03.2016 ₹	30.06.2015 ₹
2.11 NON CURRENT INVESTMENTS		
Trade Investments - Unquoted Fully paid up		
In Equity Shares of Other Related Entity - 25,500 Nos Indsil Energy & Electrochemicals Private Ltd. of ₹10/- each (Extent of Holding - 0.65%)	2,55,000	2,55,000
In Equity Shares of Subsidiary Company - 21,88,847 Nos. Sree Mahalakshmi Smelters Pvt Ltd of ₹15.35 each. (Extent of Holding - 51%)	3,36,56,300	3,36,56,300
In Equity Shares of Joint Venture Company - 1267834 Nos. Al Tamman Indsil Ferro Chrome LLC of 142.212 Omani Riyal - each (Extent of Holding - 26.62%.)	18,03,01,790	18,03,01,790
In Equity Shares of Wholly Owned Subsidiary - 150000 Nos. Indsil Hydro Global (FZE) of 1 AED each (Extent of Holding - 100%)	25,72,500	25,72,500
Other Investments - Unquoted fully paid up		
8,000 Equity shares of ₹ 10/- each in Kurumpetty HPP Ltd	80,000	80,000
8,000 Equity shares of ₹ 10/- each in Palakkayam HPP Ltd	80,000	80,000
8,000 Equity shares of ₹ 10/- each in Upper Poringal HPP Ltd	80,000	80,000
8,000 Equity shares of ₹ 10/- each in Vattapara HPP Ltd	80,000	80,000
1,57,500 Equity Shares of ₹ 10/- each in Malayalam Communications Ltd.	15,75,000	15,75,000
Total	**21,86,80,590**	**21,86,80,590**
2.12 LONG TERM LOANS & ADVANCES		
Unsecured considered good		
Other loans and advances (specify nature)		
- Electricity Charges Recoverable	5,31,11,594	5,31,11,594
- Security Deposits	2,24,83,864	2,63,25,484
- Rental Advances	23,14,080	21,24,080
- Tax Payment Pending Adjustments	8,67,21,543	7,01,44,404
- Other Loans & Advances	16,76,393	15,01,312
Total	**16,63,07,473**	**15,32,06,874**
2.13 CURRENT INVESTMENTS		
Other Investments		
Investment in Mutual Funds		
527 Units in DSP Blackrock Money Manager Fund (Previous year 498 units)	5,48,652	5,05,570
Total	**5,48,652**	**5,05,570**

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars		31.03.2016 ₹	30.06.2015 ₹
2.14 INVENTORIES			
Raw materials and components		16,95,11,165	21,88,58,751
Goods in transit		1,87,45,365	2,52,50,467
Finished goods		3,02,03,464	6,67,78,560
Stores and spares		13,75,325	8,57,781
Others			
Consumables		2,38,592	3,74,712
Packing materials		2,54,902	5,43,123
Power - Banked Energy		84,36,565	1,33,37,199
Total		**22,87,65,378**	**32,60,00,593**
2.15 TRADE RECEIVABLES			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		-	-
- Sree Mahalakshmi Smelters Private Limited.,		7,95,31,548	8,12,09,543
Sub Total	**(A)**	7,95,31,548	8,12,09,543
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Secured, considered good		13,51,61,539	9,57,90,597
Unsecured, considered good		-	-
Sub Total	**(B)**	13,51,61,539	9,57,90,597
Total (A+B)		**21,46,93,087**	**17,70,00,140**
2.16 CASH AND BANK BALANCES			
Cash and Cash Equivalents			
a) Balance with Banks - In Current Accounts		1,77,48,821	48,99,982
b) Cash on hand		5,85,786	8,74,674
c) Cheques on hand		8,92,921	1,64,49,253
d) Fixed Deposits maturing within 3 months		42,19,999	51,03,845
Other Bank Balances			
a) Margin money		1,65,19,092	1,89,69,434
b) Unclaimed Dividend		23,04,373	21,74,200
Total		**4,22,70,992**	**4,84,71,388**

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	31.03.2016 ₹	30.06.2015 ₹
2.17 SHORT TERM LOANS & ADVANCES		
Loans and advances to related parties		
Unsecured, considered good		
- Unsecured Loan to subsidiary Company	23,80,49,428	7,63,05,842
Others		
Balance With Government Authorities	3,30,33,210	3,18,94,164
Unsecured, considered good		
- Advance to Trade suppliers	2,90,545	14,65,156
- Advance to employees	1,01,050	17,200
- Other Advances	17,44,00,592	17,38,50,744
Total	**44,58,74,825**	**28,35,33,107**
2.18 OTHER CURRENT ASSETS		
Export Incentives receivable	63,11,286	1,05,32,570
Total	**63,11,286**	**1,05,32,570**
2.19 REVENUE FROM OPERATIONS		
Sale of Products:		
- Smelter	62,92,07,445	1,04,38,75,009
- Power	15,43,32,643	20,51,64,934
- Sale of Raw Materials	5,21,36,425	8,77,68,652
	83,56,76,513	133,68,08,595
Less : Excise duty	(3,40,98,595)	(5,91,76,377)
	80,15,77,918	127,76,32,218
Interdivisional Sale of Power	(15,43,32,643)	(20,51,64,934)
Other Operating Income		
Export Incentives	54,24,951	3,88,31,646
	65,26,70,226	**111,12,98,930**
Detail of Revenue from operations		
Silico Manganese and Manganese Ore	64,72,45,275	107,24,67,284
Export Incentives	54,24,951	3,88,31,646
	65,26,70,226	111,12,98,930
2.20 OTHER INCOME		
Interest Income	11,75,542	86,11,503
Dividend from Current Investments	43,082	7,540
Dividend from Wholly Owned Subsidiary	2,13,85,120	2,54,13,390
Scrap sales	6,06,260	1,04,396
Income from RECs	4,57,99,032	7,56,41,497
Miscellaneous Income	86,78,374	1,33,51,998
Total	**7,76,87,410**	**12,31,30,324**

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	31.03.2016 ₹	30.06.2015 ₹
2.21 COST OF MATERIALS CONSUMED		
Consumption of Raw Materials		
Manganese Ore	19,96,83,195	35,44,09,128
Carbon reducers	8,52,32,211	14,33,73,262
Quartz	1,07,44,210	1,40,61,922
Carbon Paste	1,09,34,133	1,64,28,461
Others	3,44,124	4,19,060
Sub Total	30,69,37,874	52,86,91,833
Traded goods	4,91,76,916	20,00,29,903
Total	**35,61,14,790**	**72,87,21,736**

2.22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK - IN - TRADE

	31.03.2016 ₹	30.06.2015 ₹	(Increase)/ Decrease
Finished Goods: Opening Stock	6,67,78,560	3,25,55,852	3,42,22,708
Less: Closing Stock	(3,02,03,464)	(6,67,78,560)	3,65,75,096
Total	3,65,75,096	(3,42,22,708)	7,07,97,804
Work-in-Progress : Opening Stock	-	25,42,326	(25,42,326)
Less: Closing Stock	-	25,42,326	(25,42,326)
Total	**3,65,75,096**	**(3,16,80,382)**	**6,82,55,478**

2.23 OTHER MANUFACTURING EXPENSES	31.03.2016 ₹	30.06.2015 ₹
Power & Fuel (Net)	10,67,27,010	10,32,47,701
Packing, Freight & Forwarding	1,29,95,261	4,05,98,968
Royalty	6,37,227	33,78,896
Total	**12,03,59,498**	**14,72,25,565**

Power & Fuel is net of interdivisional sale of hydro power of ₹ 15,43,32,643/- (Previous year - Rs.20,51,64,934/-) representing units supplied to the grid against which equivalent consumption was made in smelter plant.

2.24 EMPLOYEE BENEFITS EXPENSES	31.03.2016 ₹	30.06.2015 ₹
Salaries and wages	4,67,53,167	6,05,89,279
Contribution to Provident Fund & other Funds	30,05,211	43,51,437
Employee compensation - ESOS amortisation	-	1,11,659
Provision for Gratuity and Earned Leave Encashment	5,29,996	13,24,434
Staff welfare expenses	71,75,085	1,01,16,172
Total	5,74,63,459	7,64,92,981

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	31.03.2016 ₹	30.06.2015 ₹
2.25 FINANCE COSTS		
Interest expense	3,58,51,437	4,51,12,371
Other borrowing costs	22,37,509	54,35,646
Total	**3,80,88,947**	**5,05,48,016**
2.26 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation and amortization expenses	3,25,60,891	4,26,98,624
Total	**3,25,60,891**	**4,26,98,624**
2.27 OTHER EXPENSES		
Communication expenses	17,77,397	24,05,217
Commission to Other Directors	488,716	6,00,000
Directors Sitting Fees	1,55,000	1,95,500
Travelling expenses	31,58,151	45,29,310
Repairs & Maintanance :		
Plant & Machinery	24,06,312	1,64,63,159
Buildings & Others	54,28,085	70,29,318
Insurance expenses	8,67,127	28,93,943
Legal expenses	23,13,100	1,27,49,660
Professional charges	33,52,815	51,67,928
Security service charges	29,06,752	36,49,109
Printing and Stationery	7,64,381	8,66,411
Auditors Remuneration		
For Audit	3,54,670	6,68,800
Rent	21,48,179	27,14,635
Rates & Taxes	57,44,498	9,99,900
Subscription	8,86,080	8,91,792
Donation	22,26,951	30,32,698
Sales Promotion expenses	3,28,431	4,18,458
Sales Commission & Discount	67,37,960	1,20,63,200
Transportation charges	10,26,406	(1,28,919)
Exchange fluctuation (Net)	(25,01,935)	(1,75,41,890)
Loss on Sale of Assets	-	19,985
Miscellaneous expenses	27,01,695	1,06,61,129
Total	**4,32,70,770**	**7,03,49,345**
2.28 EARNINGS PER SHARE		
Basic EPS :		
Net Profit after Tax	3,99,44,561	12,14,67,372
Weighted average number of Equity Shares (Face value of ₹ 10/- each)	1,58,86,792	1,58,86,792
Basic EPS (₹)	2.51	7.65
Diluted EPS (₹)	2.51	7.65

NOTES TO FINANCIAL STATEMENTS (Contd.)

I. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention :

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the requirements of Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 2013, to the extent applicable.

b) Use of Estimates

The preparation of financial statements requires the management of the Company to make certain estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure for the year. Actual results may differ from those estimates. Any revision to such estimates is recognised prospectively.

c) Fixed assets and Depreciation

i) Fixed assets are stated at original cost net of tax / duty credits availed if any, less accumulated depreciation. Cost include pre-operative expenses and all expenses related to acquisition and installation of the concerned assets.

ii) Depreciation on fixed assets is provided on Straight Line Method in accordance with the rates specified under Schedule II of the Companies Act, 2013, except the useful life of the Plant and Machinery based on the technical evaluation. As per the technical evaluation, such useful life has been taken as 20 years.

d) Investments

Long term investments held by the Company are stated at cost. Provision for diminution, if any, in the value of long-term investments is made, if the diminution is other than temporary. Current investments are stated at lower of cost or net realisable value.

e) Inventories

Raw Materials and Stores & Spares are valued at cost on Weighted Average basis. Finished goods and Work-in-Progress are valued at lower of the cost including related overheads or estimated net realisable value.

f) Foreign Currency Transactions

i) Foreign currency transactions are recorded at exchange rates prevailing on the date of such transaction.

ii) Foreign currency assets and liabilities at the year end are realigned at the exchange rate prevailing at the year end and difference on realignment is recognised in the Statement of Profit & Loss.

g) Revenue Recognition

i) The Company generally follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties.

ii) Sale of goods is recognised when the risk and rewards of ownership are passed on to the customers, which is generally on despatch of goods.

iii) Dividend, interest, export incentives and other income are accounted on accrual basis except those items with significant uncertainities.

h) Taxes on Income

i) Current tax on income for the period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessment/appeals.

ii) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

iii) Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainity that sufficient future income will be available against which such deferred tax assets can be realised.

NOTES TO FINANCIAL STATEMENTS (Contd.)

i) Retirement Benefits

i) Defined Contribution Plans:

Employee benefits in the form of Employee Provident and Pension Funds and Employee State Insurance plan are considered as Defined Contribution Plans and the contributions are charged to the Statement of Profit & Loss of the year when the contributions to the said funds are due.

ii) Defined Benefit Plans:

Retirement benefits are considered as Defined Benefit Plans and are provided for on the basis of an actuarial valuation using the projected unit credit method as at the date of Balance Sheet. Actuarial gain/losses, if any, are immediately recognised in the Statement of Profit & Loss as income and expense.

j) In respect of Employees Stock Options, the excess of market price on the date of grant over the exercise price is recognised as deferred compensation cost and amortised over the vesting period.

k) Impairment of Fixed assets

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine;

i) the provision for impairment loss, if any, required or;

ii) the reversal, if any, required of impairment loss recognised in previous periods. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

l) Borrowing Cost

i) Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of such assets. All other borrowing costs are charged to revenue.

ii) A qualifying asset is an asset that necessarily requires substantial period of time to get ready for its intended use or sale.

m) Cash and Cash Equivalents

Cash flow are reported using the indirect method, where by net profit before tax is adjusted for the effects of transaction of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow comprises regular revenue generating, investing and financing activities of the Company. Cash and cash equivalents in the Balance Sheet comprise of cash at bank and in hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to the reflect the current best estimates.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share (after deducting preference dividends and attributable taxes if any) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares, if any. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENTS (Contd.)

p) MAT Credit Entitlement

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

q) Leases

"Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the Company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalized. Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased term, are classified as operating leases payments are recognized as an expense in the statement of Profit and Loss on a straight line basis over the lease term".

II. OTHER NOTES ON ACCOUNTS:

2.29 CONTINGENT LIABILITIES

		As at 31.3.2016 ₹	As at 30.6.2015 ₹
a)	Letters of Credit issued by Banks on behalf of the Company	91,08,000	8,85,59,191
b)	Guarantees issued by Banks on behalf of the Company	1,70,00,056	1,98,63,211
c)	Corporate guarantees given in respect of term loans	39,36,14,891	33,85,07,074

d) In the past, the Kerala State Electricity Board has raised certain demands on the Company relating to payment of electricity charges and other charges on account of working of the hydro electric power division of the Company. These charges were more than that warranted for, when specifically considering the working agreement between the Company and KSEB for operation of the hydro electric power plant. These demands remain in dispute and have been challenged by the Company in various fora including the Hon'ble High Court of Kerala. Such matters remain sub - judice and in some cases, where necessary, pending judgement, adequate provisions have been made. The Company is confident of positive redressal by the appropriate fora where no provisions have been made and in cases where the Company has deposited sums/advances, pending judgements, it is expected that those sums would be refunded.

NOTES TO FINANCIAL STATEMENTS (Contd.)

2.30 DISCLOSURE ON "EMPLOYEE BENEFITS" AS PER AS 15:

	31.3.2016 ₹	30.6.2015 ₹
i) Defined Contribution Plans:		
Employers' Contribution to Provident and Other Funds	30,05,211	43,51,437

ii) Defined Benefit Plans (Non-Funded):

	Gratuity	
	31.3.2016 ₹	30.6.2015 ₹
Reconciliation of opening and closing balances of Defined Benefit obligations:		
Defined Benefit obligation at the beginning of the year	1,27,94,269	1,15,59,268
Interest cost	7,48,465	9,40,924
Current service cost	6,75,816	9,28,772
Benefits paid	-	-
Actuarial loss/(gain) on obligation	(9,43,896)	(6,34,695)
Defined Benefit obligation at the end of the year	1,32,74,654	1,27,94,269
Expenses recognised during the year in the Statement of Profit & Loss :		
Current service cost	6,75,816	9,28,772
Interest cost	7,48,465	9,40,924
Expected return on plan assets	-	-
Actuarial (gain)/loss	(9,43,896)	(6,34,695)
Expenses recognised in the Statement of Profit & Loss	4,80,385	12,35,001
Principal Actuarial Assumptions:		
Discount rate	8%	8%
Salary Escalation rate	7%	7%
Withdrawal rate	4%	4%
Expected rate of return on plan assets	0%	0%

The above information is certified by an Actuary.

Amount for the current period :	As at 31.03.16 ₹	As at 30.06.15 ₹	As at 30.06.14 ₹	As at 30.06.13 ₹
Present Value of obligation	1,32,74,654	1,27,94,269	1,15,59,268	1,09,86,710
Plan Assets	-	-	-	-
Surplus / (Deficit)	1,32,74,654	1,27,94,269	1,15,59,268	1,09,86,710
Experience adjustments on plan liabilities	(9,43,896)	(6,34,695)	(12,85,997)	(4,88,346)
Experience adjustments on plan assets	-	-	-	-

NOTES TO FINANCIAL STATEMENTS (Contd.)

2.31. SEGMENT REPORT	31.3.2016 ₹	30.6.2015 ₹
Primary Segments (Business Segments)		
1. Segment Revenue		
a. Smelter	65,26,70,226	1,11,12,98,930
b. Hydro Power	15,43,32,643	20,51,64,934
	80,70,02,869	1,31,64,63,864
Less : Intersegment Revenue	15,43,32,643	20,51,64,934
Net Revenue	65,26,70,226	1,11,12,98,930
2 Segment Results		
(Profit / Loss before financial charges & tax)		
a. Smelter	(9,13,78,038)	(3,77,14,706)
b. Hydro Power	17,53,48,087	23,83,28,550
	8,39,70,049	20,06,13,844
Add / Less : Unallocable Income/Expenses	43,082	7,540
Operating Profit	8,40,13,131	20,06,21,384
Less : financial charges	3,80,88,947	5,05,48,016
Total Profit / (Loss) before Tax and extraordinary items	4,59,24,184	15,00,73,368
3 Capital Employed		
(Segment Assets - Segment Liabilities)		
a. Smelter	93,42,84,828	78,55,79,615
b. Hydro Power	34,78,80,304	37,22,01,437
	128,21,65,131	115,77,81,052

2.32 RELATED PARTY DISCLOSURES:

a) Subsidiary : Sree Mahalakshmi Smelters Private Limited
b) Wholly Owned Subsidiary : Indsil Hydro Global (FZE)
c) Other Related Entity : Sunmet Holdings India P. Ltd, Indsil Energy and Electrochemicals Pvt. Ltd.
d) Key Management Personnel : Sri. S.N.Varadarajan
: Sri. Vinod Narsiman
: Sri. S. Mahadevan (Company Secretary)
: Sri. R. Murali (Chief Financial Officer)
e) Relatives of Key Management Personnel : Smt. D.Pushpa Varadarajan (W/o Sri S.N. Varadarajan)
f) Joint Venture : Al-Tamman Indsil Ferro Chrome LLC

Particulars	Subsidiary ₹	Joint Venture ₹	Other Related Entity ₹	Key Management Personnel ₹
Current Year (31.3.2016)				
Sale of Raw Material *	-	-	5,91,27,542	-
Purchase of Raw Material	5,49,826	-	35,31,876	-
Purchase of Finished Goods*	-	-	4,91,76,916	-
Sales of Finished Goods *	-	-	25,43,34,128	-
Rent paid	-	-	13,25,682	2,83,500
Directors' Sitting Fees	-	-	-	45,000
Managerial Remuneration	-	-	-	42,22,283
Unsecured Loan granted to Subsidiary	23,80,49,428	-	-	-
Balances outstanding	7,95,31,548	19,99,715	5,09,49,311	(1,78,70,013)

NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	Subsidiary ₹	Joint Venture ₹	Other Related Entity ₹	Key Management Personnel ₹
Previous Year (30.6.2015)				
Sales of Raw Material	4,54,95,143	-	1,30,11,738	-
Purchase of Finished Goods	20,00,29,903	-	-	-
Sales of Finished Goods	-	-	3,04,68,832	-
Royalty paid	-	-	33,78,896	-
Rent paid	-	-	18,62,994	3,78,000
Directors' Sitting Fees	-	-	-	35,000
Managerial Remuneration	-	-	-	1,12,66,704
Unsecured loan granted to Subsidiary	7,63,05,842	-	-	-
Balances outstanding	8,39,07,383	48,43,479	9,66,96,311	1,87,35,556

* Sale and Purchase of Raw materials and Finished goods is carried out between related entities at arms length basis adopting fair Accounting Standards with prior approval of the Audit Committee

2.33 INVESTMENT IN MUTUAL FUNDS

₹

	Balance as on 1.7.2015	Purchased/ Reinvested during the year	Redeemed during the year	Balance as on 31.3.2016
DSP Blackrock Money Manager Fund	5,28,859 527 Units	19,793 19 Units	- -	5,48,652 546 Units
Total (₹)	5,28,859	19,793	-	5,48,652

2.34 EXECUTIVE VICE - CHAIRMAN REMUNERATION

	As at 31.3.2016 ₹	As at 30.6.2015 ₹
Salary	4,50,000	6,00,000
Commission	9,77,425	41,36,724
Perquisites	54,000	72,000
	14,81,425	48,08,724

2.35. MANAGING DIRECTOR'S REMUNERATION

Salary	4,50,000	6,00,000
Commision	9,99,025	41,65,524
Perquisites	32,400	43,200
	14,81,425	48,08,724

2.36 COMPUTATION OF COMMISSION PAYABLE TO EXECUTIVE VICE - CHAIRMAN, MANAGING DIRECTOR AND NON-EXECUTIVE DIRECTORS :

Net Profit before Tax as per Statement of Profit & Loss	4,59,24,184	15,00,73,368
Add: Executive Vice - Chairman's Remuneration	14,81,425	48,08,724
Managing Director's Remuneration	14,81,425	48,08,724
Commission to Non-Executive Directors	4,93,809	6,00,000
Net Profit as per Section 198 of the Companies Act, 2013	**4,93,80,843**	**16,02,90,816**

NOTES TO FINANCIAL STATEMENTS (Contd.)

		₹	₹
a)	Commission payable to Executive Vice - Chairman - 3% of Net profits	14,81,425	48,08,724
b)	Commission payable to Managing Director - 3% of Net profits	14,81,425	48,08,724
c)	Commission payable to Non-Executive Directors -1% of Net profits subject to a maximum of ₹ 6,00,000/-	4,93,809	6,00,000

		31.3.2016 ₹	30.6.2015 ₹
2.37	**Value of imports (on CIF basis)**		
	Raw Materials	14,40,37,207	24,59,66,543
2.38	**Expenditure in foreign currency**		
	Travelling	1,73,275	5,95,667
	Subscription & Others	2,21,832	2,84,558
2.39	**Dividend in Foreign currency**	2,13,85,120	2,54,13,390
2.40	**Earnings in Foreign Exchange** (on FOB basis)	21,50,94,906	80,05,50,200

2.41 **Details of shares allotted under Employees' Stock Option Scheme** :

	As at 31.3.2016		As at 30.6.2015	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Total number of shares allotted to ESOS Trust	64,500	18,500	64,500	18,500
Options exercised during 2009-10	16,125	-	16,125	-
Options exercised during 2010-11	16,125	4,625	16,125	4,625
Options exercised during 2011-12	16,125	4,625	16,125	4,625
Options exercised during 2012-13	11,750	4,625	11,750	4,625
Options exercised during 2013-14		4,000		4,000
Shares transferred from ESOS Trust	60,125	17,875	60,125	17,875
Balance unvested options	4,375	625	4,375	625

2.42 Dividends recommended by Board of Directors is provided for in accounting pending Shareholder's approval.

2.43 All figures are in Rupees unless otherwise stated

Amounts have been rounded-off to the nearest Rupee and previous year's figures regrouped wherever necessary.

2.44 Operating Lease:The Company has entered into operating lease, having a lease period ranging from 1-5 years, with an option to renew the lease

The future minimum lease payments are as follows

Particulars	31.03.2016 (₹)	30.06.2015 (₹)
not later than one year	21,20,832	19,72,668
later than one year and not later than five years	91,41,036	89,27,567
later than five years	-	-

2.45 As of 31st March, 2016 the following are the details of Derivative Contracts

Value of Forward Contract	₹
Unexpired Contract	
- Export	11,66,63,490
- Import	4,50,59,049

NOTES TO FINANCIAL STATEMENTS (Contd.)

2.46 Interest In Joint Venture

The Company has entered into an agreement by which the Company is a party to a Joint Venture viz. Al - Tamman Indsil Ferro Chrome LLC.

The Company has invested 12,67,834 OMR in the capital of 47,62,746 equity shares of 1 OMR each which is equivalent to an ownership interest of 26.62%

The following represents the Group's share of assets and liabilities and income and results of the Joint Venture included in the Balance Sheet and Statement of Profit and Loss.

	Year ended 31.12.2015	**Year ended 31.12.2014**
Balance Sheet:	₹	₹
Reserves and Surplus	(17,90,69,866)	(13,19,88,277)
Non Current Liabilities	30,76,11,174	29,30,68,480
Current Liabilities	68,91,96,241	78,38,41,671
Fixed Assets (Net)	61,62,06,652	60,20,66,501
Current Assets	41,97,39,352	55,14,40,269
Statement of Profit and Loss		
Income	98,50,50,716	85,93,13,789
Expenses	98,29,29,860	89,49,98,096
Profit Before Tax	21,20,856	(3,56,84,308)
Provision of Taxes	-	-
Profit After Tax	21,20,856	(3,56,84,308)

Note: The audited accounts of Al-Tamman Indsil Ferro Chrome LLC., Joint Venture for the year ended 31st December, 2015 is based on the International Financial Reporting Standards (IFRS).

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended 31.03.16 ₹	Year ended 30.06.15 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before tax	4,59,24,184	15,00,73,368
Adjustments for		
Interest Receipts	(11,75,542)	(86,11,503)
Dividend Income	(2,14,28,202)	(2,54,20,930)
Depreciation	3,25,60,891	4,26,98,624
Employee compensation - ESOS amortisation		1,11,659
Financial charges & Interest	3,80,88,947	5,05,48,016
Deferred Tax	(33,83,790)	-
Profit/Loss on sale of assets	-	19,985
Provision for gratuity and encashment of earned leave	4,80,385	13,24,434
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	9,10,66,872	21,07,43,653
Adjustments for changes in		
Inventories	9,72,35,216	(2,41,35,644)
Trade receivables	(3,76,92,946)	(7,66,82,048)
Other advances	(15,58,00,265)	(5,43,16,292)
Current liabilities	(3,07,17,315)	(4,60,78,120)
	-	-
Cash generated from operations	(3,59,08,438)	95,31,549
Income Tax Payments	(59,79,623)	(2,02,45,845)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(4,18,88,061)	(1,07,14,296)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(43,16,072)	(47,45,786)
Sale of Fixed Assets	-	830
Purchase of investments	-	-
Increase/Decrease in Investments	-	1,06,72,311
Interest received	11,75,542	86,11,503
Dividend Income	2,14,28,202	2,54,20,930
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	1,82,87,672	3,99,59,788
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Repayment of Long term borrowings	(4,31,97,912)	(3,38,22,918)
Increase in Long term Borrowings	14,00,72,911	5,00,00,000
Increase/(decrease) in Short term Borrowings	(1,63,90,134)	1,79,49,390
Financial Charges & Interest	(3,80,88,947)	(5,05,48,016)
Payment of Dividend & Tax	(95,32,075)	(1,52,51,701)
Increase/(decrease) in Long term Loan and advances	(1,31,00,600)	-
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	1,97,63,244	(3,16,73,245)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(38,37,145)	(24,27,753)
Cash and Cash Equivalents as on 1.7.2015 (Opening Balance)	2,78,33,324	3,02,61,076
Cash and Cash Equivalents as on 31.3.2016 (Closing Balance)	2,39,96,179	2,78,33,324
Note :		
Cash and cash equivalents included in the cash flow statement comprise the following Balance sheet amounts:	2,34,47,527	2,73,27,754
Cash in Hand and balance with Banks	5,48,652	5,05,570
Short term Investments in debt based liquid funds		
	2,39,96,179	2,78,33,324

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

STATEMENT IN PURSUANCE OF SECTION 129 OF THE COMPANIES ACT, 2013:

Name of the Subsidiary Company	:	Sree Mahalakshmi Smelters Private Ltd
Financial of the Subsidiary ended on	:	31st March, 2016
Holding Company's interest in the Subsidiary	:	51% (21,88,847 Equity shares of ₹ 10/- each)

Net Aggregate amount of the Profit/(Loss) of the Subsidiary dealt within the Holding Company's Accounts:

a) for the Current financial year of the Subsidiary Company	:	₹ (3,96,03,864/-)
b) for the previous financial year of the Subsidiary Company	:	₹ (1,47,21,364/-)

Net Aggregate amount of the Profit/(Loss) of the Subsidiary not dealt within the Holding Company's Accounts:

a) for the Current financial year of the Subsidiary Company	:	Not Applicable
b) for the previous financial year of the Subsidiary Company	:	Not Applicable

Disclosure of Information relating to Subsidiary Company as required by the Ministry of Corporate Affairs, Government of India vide General Circular No.2/2011 dated 8th February 2011:

Name of the Subsidiary:	**Sree Mahalakshmi Smelters Private Limited 2015-16 ₹**
a) Share Capital	4,29,18,570
b) Reserves & Surplus	14,69,81,868
c) Total Assets	34,91,47,249
d) Total Liabilities	45,32,10,547
e) Turnover	8,64,85,612
f) Details of Investment	-
g) Profit/(Loss) Before tax	(3,96,03,864)
h) Provision for taxation	-
i) Profit/(Loss) After tax	(3,96,03,864)
j) Proposed Dividend	-
k) Reporting currency	Indian Rupee (₹)

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

Place : Coimbatore
Date : 26th May, 2016

STATEMENT IN PURSUANCE OF SECTION 129 OF THE COMPANIES ACT, 2013

1. Name of the Wholly Owned Subsidiary — Indsil Hydro Global (FZE)

2. Financial of the Wholly Owned Subsidiary ended on — 30th April, 2016

3. Holding Company's interest in the WOS — 100% (1,50,000 Equity shares of AED 1/- each)

4. Net Aggregate amount of the Profit/(Loss) of the subsidiary dealt within the Holding Company's Accounts:
   a) for the Current financial year of the Wholly Owned Subsidiary — ₹ 2,55,18,322/-
   b) for the previous financial year of the Wholly Owned Subsidiary — ₹ 3,27,98,301/-

5. Net Aggregate amount of the Profit/(Loss) of the WOS and not dealt within the Holding Company's Accounts:
   a) for the Current financial year of the Wholly Owned Subsidiary — - Not Applicable
   b) for the previous financial year of the Wholly Owned Subsidiary — - Not Applicable

Disclosure of Information relating to Wholly Owned Subsidiary Company as required by the Ministry of Corporate Affairs, Government of India vide General Circular No.2/2011 dated 8th February 2011:

Name of the Wholly Owned Subsidiary Subsidiary		**Indsil Hydro Global (FZE) 2015-16 ₹**
a)	Share Capital	27,15,120
b)	Reserves & Surplus	1,00,68,397
c)	Total Assets	1,87,89,493
d)	Total Liabilities	60,05,976
e)	Turnover	2,87,31,221
f)	Details of Investment	-
g)	Profit/(Loss) Before tax	2,55,18,322
h)	Provision for taxation	-
i)	Profit/(Loss) After tax	2,55,18,322
j)	Proposed Dividend	2,13,85,120
k)	Reporting currency	Indian Rupee (₹)

The relevant details on the Joint Venture Al-Tamman Indsil Ferro Chrome LLC are already furnished in note 2.46 appearing in page No. 82 of this Annual Report.

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

Place : Coimbatore
Date : 26th May, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDSIL HYDRO POWER AND MANGANESE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of INDSIL HYDRO POWER AND MANGANESE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly controlled entity ,comprising of the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its Jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (s) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Jointly controlled entity as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements also include the Group's share of net profit of ₹ 2.76 Crores for the year ended 31st March, 2016, as considered in the consolidated financial statements, ₹ 0.21 Crores in respect of Jointly controlled entity and of ₹ 2.55 Crores in respect of Wholly-owned Subsidiary Company, whose financial statements have not been audited by us. These financial information have been audited by other auditors whose report have been furnished to us by the

Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and its Jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and jointly controlled entity, are based solely on reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the Directors of the Holding Company and its subsidiary incorporated in India as on 31st March, 2016, taken on record by the Board of Directors of the Holding Company and the Subsidiary incorporated in India, none of the Directors of the Group companies incorporated in India are disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act. The Subsidiary Company and Jointly controlled entity incorporated outside India in terms of Section 164(2) of the Act are not applicable to them.

   (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure - A", which is based on the auditor's reports of the Holding Company and Subsidiary Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and Subsidiary Company incorporated in India. The Subsidiary Company and Jointly controlled Entity are incorporated outside India and hence the requirement of section 143(3) are not applicable to them.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 7 of Annexure to the Independent Auditors Report.

      ii. The Company has Derivative Contracts - Refer Note 2.36 to the consolidated financial statements

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For M/s. Raja & Raman
Chartered Accountants
Firm Registration No.003382S

Sd/-
E. R. Rajaram, FCA,
Partner
Membership No. 018755

Coimbatore
26th May, 2016

Annexure - A to the Independent Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Indsil Hydro Power and Manganese Limited (hereinafter referred to as "the Holding Company") and its Subsidiary Company incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiary Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its Subsidiary Company incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the aforesaid entities.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary Company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s. Raja & Raman
Chartered Accountants
Firm Registration No.003382S

Sd/-
E. R. Rajaram, FCA,
Partner
Membership No. 018755

Coimbatore
26th May, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE No.	As at 31.3.2016 ₹	As at 30.6.2015 ₹
I EQUITY AND LIABILITIES			
Shareholder's funds			
(a) Share Capital	2.01	15,88,67,920	15,88,67,920
(b) Reserves and Surplus	2.02	58,36,29,857	62,42,23,853
(c) Minority interest		-	-
		74,24,97,777	78,30,91,773
Non- Current Liabilities			
(a) Long-term borrowings	2.03	48,16,24,386	42,41,60,875
(b) Deferred Tax liabilities (Net)		2,19,41,749	2,53,25,539
(c) Other Long term liabilities	2.04	2,12,63,161	2,53,66,029
(d) Long-term Provisions	2.05	14,83,99,834	14,79,19,449
		67,32,29,130	62,27,71,892
Current Liabilities			
(a) Short term borrowings	2.06	61,61,47,738	85,21,46,988
(b) Trade payables	2.07	27,93,21,857	29,04,22,634
(c) Other current liabilities	2.08	23,68,57,505	24,76,88,419
(d) Short term provisions	2.09	1,59,78,331	1,91,50,697
		114,83,05,431	140,94,08,737
TOTAL		256,40,32,338	281,52,72,402
II ASSETS			
Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets	2.10	111,14,10,568	112,54,64,106
(ii) Intangible assets		30,873,154	3,07,83,502
(iii) Capital work-in-progress		-	27,16,588
(iv) Intangible assets under development		-	-
(b) Non-current investments	2.11	21,50,000	21,50,000
(c) Deferred Tax asset (net)		6,80,34,137	6,64,93,082
(d) Long-term loans and advances	2.12	18,89,17,560	17,71,10,125
		140,13,85,418	140,47,17,404
Current Assets			
(a) Current investments	2.13	5,48,652	5,05,570
(b) Inventories	2.14	60,16,69,896	78,25,80,733
(c) Trade receivables	2.15	23,84,93,480	21,70,58,729
(d) Cash and Cash equivalents	2.16	4,90,66,818	5,42,17,944
(e) Short-term loans and advances	2.17	26,65,56,788	30,30,08,229
(f) Other Current assets	2.18	63,11,285	5,31,83,792
		116,26,46,919	141,05,54,998
TOTAL		**256,40,32,338**	**281,52,72,402**
Significant Accounting Policies and Notes on Financial Statements	**I & III 2.01 to 2.38**		

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	PARTICULARS	NOTE No.	Year ended 31.3.2016 (₹)	Year ended 30.6.2015 (₹)
I	Revenue from operations	2.19	172,09,88,583	230,63,01,331
II	Other Income	2.20	8,82,51,482	12,32,83,543
III	Total Revenue (I + II)		180,92,40,065	242,95,84,874
IV	Expenses :			
	Cost of Materials Consumed	2.21	83,71,30,582	63,63,43,395
	Purchases of Stock in Trade	2.22	4,91,76,916	76,62,98,212
	Changes in inventories of finished goods, Work in progress	2.23	6,82,62,906	(12,50,61,999)
	Manufacturing Expenses	2.24	46,64,87,599	66,56,31,879
	Employee benefits expense	2.25	8,51,43,974	10,96,85,830
	Finance Costs	2.26	9,43,32,632	10,70,46,797
	Depreciation and amortization	2.27	9,02,52,431	9,30,67,067
	Other expenses	2.28	10,58,78,649	12,11,66,775
	Total Expenses		179,66,65,688	237,41,77,956
V	Profit before exceptional and extraordinary items and tax		1,25,74,377	5,54,06,918
VI	Extraordinary items		-	-
	Profit before tax & Minority Interest		1,25,74,377	5,54,06,918
	Add: Profit / (loss) attributable to Minority Interest		-	-
VII	Profit before tax		1,25,74,377	5,54,06,918
VIII	Tax expense:	2.29		
	(1) Current tax		1,54,68,857	50,1,98,622
	(2) Deferred tax		(33,83,790)	(4,19,75,574)
	(3) MAT Credit Entitlement		(61,05,444)	(1,87,42,494)
			59,79,623	(1,05,19,446)
IX	Profit/(loss) for the period		65,94,754	6,59,26,364
X	Earnings per equity share:	2.30		
	(1) Basic		0.42	4.15
	(2) Diluted		0.42	4.15
	Significant Accounting Policies and Notes on Financial Statements	**I & III 2.01 to 2.38**		

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

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Managing Director
DIN: 00035746

Sd/-
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Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.01	**SHARE CAPITAL**		
	AUTHORIZED		
	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
		25,00,00,000	25,00,00,000
	ISSUED		
	1,58,86,792 Equity Shares of ₹ 10/- each fully paid up	15,88,67,920	15,88,67,920
	SUBSCRIBED AND PAID UP CAPITAL		
	1,58,86,792 Equity Shares of ₹ 10/- Each	**15,88,67,920**	**15,88,67,920**

(a) 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.

(b) The number of shares outstanding at the beginning and at the end of the reporting period are the same.

(c) DETAILS OF SHAREHOLDER'S HOLDING MORE THAN 5% OF SHARES:

Name of Shareholder	31.03.2016		30.06.2015	
	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%
Sri. 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	Value (in ₹)
Equity shares allotted as fully paid bonus shares pursuant to capitalisation of reserves in 2010-11.	63,54,717	6,35,47,170

2.02 RESERVES & SURPLUS

Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
Securities Premium Account :		
Opening balance	96,92,956	96,92,956
Add: Credit on Excise of ESOS Shares during the year	-	-
(No. of shares issued : 4,625 shares @ ₹ 62.40 & 16,125 share @₹13.95))	-	-
Closing balance	96,92,956	96,92,956
General Reserves :		
Opening balance	12,67,60,003	12,67,60,003
Add: Additions During the year	-	-
Closing balance	12,67,60,003	12,67,60,003
Others :		
State Investment Subsidy	-	-
Surplus :		
Opening balance	54,69,85,708	47,08,97,655
(+) Net Profit/(Net Loss) For the current year	2,79,79,874	9,13,39,754
(+) Loss attributable to Minority Interest (to the extent available)	-	-
(-) Proposed Dividend	(95,32,075)	(1,90,64,150)
(-) Transfer from reserve-security premium	-	-
(-) Tax on Proposed Dividend	-	38,12,449
Closing balance	56,54,33,507	54,69,85,708
- ESOS Outstanding		
(Net of Unamortised Deferred Employee Compensation)	-	-
Exchange Fluctuation reserve	(11,82,56,608)	(5,92,14,812)
Closing Balance	58,36,29,857	62,42,23,853

2.03 LONG TERM BORROWINGS

	As at 31.03.2016 ₹	As at 30.06.2015 ₹
Secured :		
Term loans		
- Rupee Term Loans from Banks	46,29,18,238	13,53,21,676
- Foreign Currency Term Loans	-	26,77,02,452
ECB from Standard Chartered Bank, London	-	-
Unsecured :		
Loans & Advances from Related Parties		
- Indsil Hydro Power & Manganese Limited	-	24,30,599
- Indsil Energy and Electrochemicals Private Limited	1,87,06,148	1,87,06,148
Total	**48,16,24,386**	**42,41,60,875**

1) ECB Loan of 93,750 USD oustanding in Standard Chartered Bank is repayable in one quarterly instalments of USD 93,750 each. Interest is payable at LIBOR plus 300 BPS on a quarterly basis. The loan is secured by way of first pari passu charge on the fixed assets of the Company and second pari passu charge on the current assets of the Company. The loan has been repaid on 28th April, 2016.

2) The Company has availed 5 Crores Rupee term loan from Export Import Bank of India repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on the movable and immovable assets of the Company and second pari passu charge on the entire current assets of the Company.

3) The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2014 repayable in 12 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.04	**OTHER LONG TERM LIABILITIES**		
	Finance Lease Liability	1,91,93,151	2,41,95,250
	End of service	20,70,010	11,70,779
	Total	**2,12,63,161**	**2,53,66,029**
2.05	**LONG TERM PROVISIONS**		
	Provision for Employee Benefits :		
	- Provision for Gratuity	1,32,74,654	1,27,94,269
	- Electricity Charges	12,13,80,415	12,13,80,415
	Interest Payable	1,37,44,765	1,37,44,765
	Total	**14,83,99,834**	**14,79,19,449**
2.06	**SHORT TERM BORROWINGS**		
	Secured :		
	From Banks		
	- Rupee Loan	61,61,25,659	26,60,62,893
	- Foreign Currency Loan	-	58,60,84,095
	Loan repayable on demand	22,079	-
	Total	**61,61,47,738**	**85,21,46,988**

1) Working capital facilities from State Bank of Travancore, IDBI Bank Ltd, Standard Chartered Bank 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 State Bank of Travancore, Standard Chartered Bank and Yes Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Managing Director to the extent of limit sanctioned.

2) Working Capital facitilities from Banks are repayable on demand and carries interest rates varying from 10% to 14% p.a. Packing credit in Foreign Currency is repayable on demand and carries interest LIBOR plus 250 BPS. to LIBOR plus 300 BPS. For Buyers credit in Foreign Currency is repayable on demand and carries interest LIBOR plus 60 BPS to LIBOR plus 150 BPS.

		As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.07	**TRADE PAYABLES**		
	Dues to Micro, Small and Medium Enterprises	-	-
	Dues to others	27,93,21,857	29,04,22,634
	Total	**27,93,21,857**	**29,04,22,634**
2.08	**OTHER CURRENT LIABILITIES**		
	Advance from Customers	-	62,79,317
	Unpaid Dividend	23,06,543	21,74,200
	Accrued Employee benefits	66,18,427	98,49,356
	Statutory liabilities	23,90,563	25,12,978
	Current Portion of Long Term Borrowings/Lease Liability	12,13,96,667	12,58,39,029
	Accruals	-	-
	Bank Over draft	-	-
	Other payables	3,11,77,231	10,10,33,538
	Term Loan Repayable within one year	7,29,68,074	-
	Total	**23,68,57,505**	**24,76,88,419**
2.09	**SHORT TERM PROVISIONS**		
	Employee benefits payable	3,42,248	-
	Other Short Term provisions	1,24,385	86,547
	Provision for Income Tax	59,79,623	-
	Proposed Dividend & Corporate Dividend Tax on proposed Dividend	95,32,075	1,90,64,150
	Total	**1,59,78,331**	**1,91,50,697**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

2.10 FIXED ASSETS

(In ₹)

Particulars	Gross Block				Depreciation					Net Block	
	Cost as on 1.7.2015	Additions during the year	Deletions	Cost as on 31.3.2016	Upto 01.7.2015	For the period	Withdrawn	Adjusted in Reserve P&L A/c	Upto 31.3.2016	As at 31.3.2016	As at 30.6.2015
Tangible Assets											
Land	3,47,07,105	1,02,070	-	3,48,09,175	-	-	-	-	-	3,48,09,175	3,47,07,105
Building	34,24,45,180	7,11,883	-	34,31,57,063	15,53,15,843	89,20,417	-	(77,805)	16,41,58,455	17,89,98,608	18,63,23,138
Plant and Machinery	134,90,79,247	4,57,71,065	4,02,271	139,44,48,041	46,67,74,569	7,56,10,151	10,416	-	54,23,74,304	85,20,73,737	85,51,55,239
Electrical Equipment	7,27,79,233	5,87,000	-	7,33,66,233	3,93,17,262	40,26,345	-	(34,46,682)	3,98,96,925	3,34,69,308	3,30,58,462
Vehicles	1,41,60,331	6,66,060	5,21,612	1,43,04,779	43,41,557	22,73,709	2,23,798	2,23,212	66,14,680	76,90,099	96,88,208
Office Equipments	2,33,46,006	10,64,770	-	2,44,10,776	1,76,17,796	22,35,311	-	1,88,029	2,00,41,136	43,69,641	65,31,954
SUB TOTAL (A)	183,65,17,102	4,89,02,848	9,23,883	188,44,96,067	68,33,67,026	9,30,65,933	2,34,214	(31,13,246)	77,30,85,499	111,14,10,568	112,54,64,106
Capital Work-in-progress	20,82,095	23,94,324	44,76,419	-	-	-	-	-	-	-	27,16,588
SUB TOTAL (B)	20,82,095	23,94,324	44,76,419	-	-	-	-	-	-	-	27,16,588
Intangible Assets											
ERP Software	33,21,603	16,000	-	33,37,603	12,67,417	4,87,715	-	46,243	18,01,375	15,36,228	13,27,867
Goodwill on Consolidation	2,93,36,925	-	-	2,93,36,925	-	-	-	-	-	2,93,36,925	2,94,55,635
SUB TOTAL (C)	3,26,58,528	16,000	-	3,26,74,528	12,67,417	4,87,715	-	46,243	18,01,375	3,08,73,154	3,07,83,502
Intangible Assets under Development	-	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-	-
Total [A + B + C+D]	187,12,57,725	5,13,13,172	54,00,302	191,71,70,595	68,46,34,443	9,35,53,648	2,34,214	(30,67,003)	77,48,86,874	1,14,22,83,721	115,89,64,197

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.11 NON-CURRENT INVESTMENTS		
Non Trade Investments - Unquoted Equity		
8,000 fully paid-up equity shares of ₹10/- each in Kurumpetty HPP Ltd	80,000	80,000
8,000 fully paid-up equity shares of ₹10/- each in Palayakkam HPP Ltd	80,000	80,000
8,000 fully paid-up equity shares of ₹10/- each in Upper Poringal HPP Ltd	80,000	80,000
8,000 fully paid-up equity shares of ₹10/- each in Vattapara HP Ltd	80,000	80,000
1,50,000 fully paid-up equity shares of ₹10/- each in Malayalam Communications Ltd.	15,75,000	15,75,000
25,500 fully paid up equity shares of ₹10/- each in Indsil Energy & Electrochemicals Private Limited (extent of Holding 0.65% of 38,69,300 shares)	2,55,000	2,55,000
Aggregate Value of Unquoted Investments	**21,50,000**	**21,50,000**
2.12 LONG TERM LOANS AND ADVANCES		
Secured, considered good	-	-
Security Deposits	2,26,10,086	2,26,10,086
Unsecured considered good		
Advance for Capital Expenses & Purchases		
Other loans and advances		
- Electricity charges recoverable	5,31,11,594	5,31,11,594
- Security Deposits	2,24,83,864	2,63,25,484
- Other Loans & Advances	16,76,393	27,94,477
- Rental Advances	23,14,080	21,24,080
- Tax Payment Pending Adjustments	8,67,21,543	7,01,44,404
- MAT Credit Entitlement	-	-
Total	**18,89,17,560**	**17,71,10,125**
2.13 CURRENT INVESTMENTS		
Investment in Mutual Funds		
DSP Blackrock Money Manager Fund	5,48,652	5,05,570
Total	**5,48,652**	**5,05,570**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.14	**INVENTORIES**		
	Raw materials and components	29,58,47,136	40,74,84,018
	Goods in Transit	1,87,45,365	2,52,50,467
	Work-in-progress	5,11,57,791	5,99,14,651
	Finished goods	22,39,89,277	27,28,67,984
	Stores and spares	30,00,270	28,08,579
	Consumables	2,38,592	3,74,712
	Packing materials	2,54,902	5,43,123
	Power - Banked Energy	84,36,565	1,33,37,199
	Total	**60,16,69,896**	**78,25,80,733**
2.15	**TRADE RECEIVABLES**		
	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, considered good	23,68,69,328	21,52,37,877
	Unsecured, considered good	-	18,20,852
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Secured, considered good	-	-
	Unsecured, considered good	-	-
	Other Receviables	16,24,152	-
	Total	**23,84,93,480**	**21,70,58,729**
2.16	**CASH AND CASH EQUIVALENTS**		
	Balances with banks :		
	a) In Current Accounts	2,32,74,083	93,16,278
	b) In Fixed Deposits	42,19,999	51,03,845
	c) Earmarked Balances- Unpaid Dividend	23,04,373	21,74,200
	d) Margin money	1,65,19,092	1,89,69,434
	Bank deposits with more than 12 months maturity	-	-
	Cheques on hand	8,92,921	1,64,49,253
	Cash on hand	18,56,350	22,04,935
	Total	**4,90,66,818**	**5,42,17,944**
2.17	**SHORT TERM LOANS AND ADVANCES**		
	Loans and advances to related parties :		
	Unsecured, considered good		
	- Unsecured Loan	-	-
	- Advance for Expenses	-	-
	Others :		
	Balance With Revenue Authorities	9,17,02,005	9,66,19,940
	Unsecured, considered good :		
	- Advance for Expenses and Purchases	2,90,545	14,65,156
	- Advance for Purchases	-	2,88,06,085
	- Staff Advance	1,63,646	17,200
	- Other Advances Recoverable	-	-
	- Other Advances	17,44,00,592	17,45,23,087
	- Advance for Expenses	-	-
	- Prepaid Expenses	-	15,76,761
	Total	**26,65,56,788**	**30,30,08,229**
2.18	**OTHER CURRENT ASSETS**		
	Share application money in Al Tamman Indsil Ferro chrome LLC - 371500 OMR	-	-
	Export Incentives receivable	63,11,285	1,05,32,569
	Preliminary Expenses (Pre-Operative Expenses)	-	4,26,51,223
	Total	**63,11,285**	**5,31,83,792**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Particulars		As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.19	**REVENUE FROM OPERATIONS**			
	Sale of Products:			
	- Smelter		169,66,84,883	139,95,33,791
	- Power		15,43,32,643	20,51,64,934
	- Other		-	85,74,17,316
	Excise duty		(3,40,98,595)	(8,22,49,326)
	Sales of Raw material		5,21,36,425	8,77,68,652
	Interdivisional Sale of Power		(15,43,32,643)	(20,51,64,934)
	Other Operating Income			
	Export Claims		62,65,870	4,38,30,897
	Total		**172,09,88,583**	**230,63,01,331**
2.20	**OTHER INCOME**			
	Interest Income		29,91,175	1,06,38,914
	Dividend Income		43,082	7,540
	Profit on Sale of Assets		1,01,146	1,64,941
	Scrap sales		10,06,051	18,23,180
	Income from REC's		4,57,99,032	7,56,41,497
	Discount		66,783	12,659
	Other non-operating income		3,82,44,214	3,49,94,812
	Total		**8,82,51,482**	**12,32,83,543**
2.21	**COST OF MATERIALS CONSUMED**			
	Consumption of raw materials		83,71,30,582	63,63,43,395
	Total		**83,71,30,582**	**63,63,43,395**
2.22	**PURCHASE OF STOCK-IN-TRADE**			
	Purchase of Stock-in-Trade		4,91,76,916	76,62,98,212
	Total		**4,91,76,916**	**76,62,98,212**
2.23	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS**			
	Finished Goods: Opening Stock		27,48,80,114	14,09,47,248
	Less: Closing Stock		(21,77,67,960)	(26,69,62,907)
		(A)	5,71,12,154	(12,60,15,659)
	Work-in-Progress : Opening Stock		6,06,63,782	5,86,69,808
	Less: Closing Stock		(4,95,13,030)	(5,77,16,148)
		(B)	1,11,50,752	9,53,660
	Change in inventory		-	-
	Total	(A+B)	**6,82,62,906**	**(12,50,61,999)**
2.24	**MANUFACTURING EXPENSES**			
	Power & Fuel (Net)		33,78,29,550	47,58,04,339
	Packing, Freight & Forwarding		3,48,46,769	10,22,76,079
	Consumables & Stores		2,97,27,088	3,46,54,519
	Direct Contractual Wages		1,63,08,925	1,65,44,500
	Factory Rent		2,41,79,208	1,19,83,050
	Ore crushing charges		93,35,251	82,49,535
	Repairs and Maintenance		1,36,23,581	1,27,40,961
	Royalty		6,37,227	33,78,896
	Total		**46,64,87,599**	**66,56,31,879**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Particulars	As at 31.03.2016 ₹	As at 30.06.2015 ₹
2.25	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	7,23,63,560	9,19,29,250
	Contribution to Provident Fund and other funds	32,26,873	43,51,437
	Employee compensation	-	1,11,659
	Provision for Gratuity & Earned Leave Encashment	5,29,996	13,24,434
	Staff welfare expenses	90,23,545	1,19,69,050
	Total	**8,51,43,974**	**10,96,85,830**
2.26	**FINANCE COSTS**		
	Interest expense	9,02,44,014	8,96,32,518
	Other borrowing costs	40,88,619	1,74,14,279
	Total	**9,43,32,632**	**10,70,46,797**
2.27	**DEPRECIATION**		
	Depreciation	9,02,52,431	9,30,67,067
	Total	**9,02,52,431**	**9,30,67,067**
2.28	**OTHER EXPENSES**		
	Communication Expenses	27,27,782	31,62,669
	Commission to Directors	4,88,716	6,00,000
	Discount Allowed & Slag deductions	3,38,451	10,58,400
	Freight Outwards	2,24,21,347	1,29,51,361
	Travelling Expenses	62,12,574	61,01,669
	Repairs & Maintenance :		
	Plant & Machinery	24,06,312	1,78,27,000
	Building & Others	59,63,344	71,48,683
	Insurance Expenses	38,53,806	45,28,092
	Legal Expenses	32,90,034	1,34,37,464
	Professional Charges	75,07,120	83,34,051
	Security service charges	42,71,975	48,23,385
	Printing and Stationery Expenses	8,85,798	9,38,804
	Auditors Remuneration	6,37,869	11,23,873
	Rent	43,06,108	44,54,946
	Rates & Taxes	60,83,651	11,42,715
	Advertisement & Publicity	2,28,867	1,02,481
	Subscription & Donation	10,79,852	15,51,977
	Sitting Fees	17,51,336	11,65,868
	Sales Promotion expenses	1,59,82,018	95,39,509
	Sales Commission	1,09,60,866	1,66,37,733
	Transportation Charges	10,26,406	9,74,086
	Testing & Sampling Fees	2,5,28,596	21,48,435
	General Expenses	1,38,470	22,34,382
	Donation	22,26,951	30,32,698
	Office and Computer Maintenence	93,477	1,32,700
	Exchange Fluctuation(Net)	(59,66,773)	(1,63,88,638)
	Loss on sale of Assets	-	19,985
	Miscellaneous Expenses	44,33,696	1,23,82,447
	Total	**10,58,78,649**	**12,11,66,775**
2.29	**CURRENT & DEFERRED TAX**		
	Current tax	1,54,68,857	5,01,98,622
	Deferred tax	(33,83,790)	(4,19,75,574)
	MAT Credit Entitlement	(61,05,444)	(1,87,42,494)
	Total	**59,79,623**	**(1,05,19,446)**

Particulars	31.03.2016 ₹	30.06.2015 ₹	30.06.2014 ₹
2.30 EARNINGS PER SHARE			
Profit After Tax	65,94,754	6,59,26,364	5,07,62,500
Equity share of ₹ 10/- each	1,58,86,792	1,58,86,792	1,58,86,792
Basic & Diluted Earnings per share	0.42	4.15	3.20
No.of shares outstanding - Basic & Diluted	1,58,86,792	1,58,86,792	1,58,86,792

2.31 THE SUBSIDIARY COMPANY/JOINT VENTURE, WHOLLY OWNED CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS:

Name of the Company	Country of Incorporation	"Subsidiary/ Joint Venture"	% of Ownership
Sree Mahalakshmi Smelters Private Limited	India	Subsidiary	51%
Al-Tamman Indsil Ferro Chrome LLC (JV)	Sultanate of Oman	Joint Venture	26.62%
Indsil Hydro Global (FZE)	Sharjah Airport International Freezone (SAIF), UAE	Wholly Owned Subsidiary	100%

2.32 INTEREST IN JOINT VENTURE

The Company has entered into an agreement by which the Company is a party to a Joint Venture viz. Al - Tamman Indsil Ferro Chrome LLC.

The following represents the Group's share of assets and liabilities and income and results of the Joint Venture included in the Balance Sheet and Statement of Profit and Loss.

	Year ended 31.12.2015 ₹	Year ended 31.12.2014 ₹
Balance Sheet :		
Reserves and Surplus	(17,90,69,866)	(13,19,88,277)
Non Current Liabilities	30,76,11,174	29,30,68,480
Current Liabilities	68,91,96,241	78,38,41,671
Fixed Assets (Net)	61,62,06,652	60,20,66,501
Current Assets	41,97,39,352	55,14,40,269
Statement of Profit and Loss:		
Income	98,50,50,716	85,93,13,789
Expenses	98,29,29,860	89,49,98,096
Profit Before Tax	21,20,856	(3,56,84,308)
Provision for Taxes	-	-
Profit After Tax	21,20,856	(3,56,84,308)

Note: The audited accounts of Al-Tamman Indsil Ferro Chrome LLC., Joint Venture for the year ended 31st December, 2015 is based on the International Financial Reporting Standards (IFRS). For the purposes of consolidation with Indsil Hydro Power and Manganese Limited.

2.33 Related Party Transactions with whom transactions have taken place during the year 2015-16 and relationship:

a) Related Entities : Sunmet Holdings India P. Ltd, Indsil Energy and Electrochemicals Pvt. Ltd.

b) Key Management Personnel : Sri. S.N.Varadarajan
Sri. Vinod Narsiman
Sri. S. Mahadevan (Company Secretary)
Sri. R. Murali (Chief Financial Officer)

c) Relatives of Key Management Personnel : Smt. D.Pushpa Varadarajan (W/o Sri S.N. Varadarajan)

(Amount in ₹)

Particulars	Related Entities	Key Management Personnel	Relatives of Key Management Personnel
Current Year - (31.03.2016)			
Purchase of Raw Materials	35,31,876	-	-
Sale of Finished Goods	24,54,18,818	-	-
Sale of Raw Materials	5,91,27,542	-	-
Purchase of Finished Goods	4,91,76,916	-	-
Royalty paid	-	-	-
Rent paid	13,25,682	2,83,500	67,500
Directors' Sitting Fees	-	45,000	63,000
Managerial Remuneration	-	42,22,283	1,00,000
Unsecured Loan granted to Subsidiary/ Others	-	-	-
Balances outstanding	5,09,49,311	(1,78,70,013)	-
Previous Year- (30.06.15)			
Purchase of Raw Materials	-	-	-
Sale of Finished Goods	3,04,68,832	-	-
Sale of Raw Materials	1,30,11,738	-	-
Purchase of Finished Goods	-	-	-
Royalty paid	33,78,896	-	-
Rent paid	18,62,994	3,78,000	90,000
Directors' Sitting Fees	-	35,000	52,500
Managerial Remuneration	-	1,12,66,704	1,00,000
Balances outstanding	9,66,96,311	(1,87,35,556)	-

2.34 SEGMENT INFORMATION

Primary Segments (Business Segments)	As at 31.03.2016 ₹	As at 30.06.2015 ₹
1. Segment Revenue		
a) Smelter	172,09,88,583	150,38,07,220
b) Hydro Power	15,43,32,643	20,51,64,934
	187,53,21,226	170,89,72,154
Less : Intersegment Revenue	15,43,32,643	20,51,64,934
Net Revenue :	172,09,88,583	150,38,07,220
2. Segment Results :		
(Profit / Loss before financial charges & tax)		
a) Smelter	(44,047,372)	45,452,274
b) Hydro Power	175,348,087	23,83,28,550
	13,13,00,715	28,37,80,824

	31.03.2016 ₹	30.06.2015 ₹
Add / Less : Unallocable Income/Expenses	43,082	7,540
Operating Profit	13,13,43,797	28,37,88,364
Less : Financial charges	5,59,63,993	8,05,40,111
Total Profit / (Loss) before Tax & extraordinary items and Minority Interest	7,53,79,804	20,32,48,253
Add : Minority Interest	-	-
Total Profit/(Loss) before Tax	7,53,79,804	20,32,48,253
3. Capital Employed : (Segment Assets - Segment Liabilities)		
a) Smelter	93,42,84,828	74,29,81,279
b) Hydro Power	34,78,80,304	37,22,01,437
	128,21,65,132	111,51,82,717

2.35 Operating Leases:

The Company has entered into operating lease, having a lease period ranging from 1-5 years, with an option to renew the lease. The future minimum lease payments are as follows

Particulars	31.03.2016 ₹	30.06.2015 ₹
not later than one year	21,20,832	14,89,272
later than one year and not later than five years	91,41,036	67,39,896
later than five years	-	-

2.36 As of 31st March, 2016 the following are the details of Derivative Contracts

Value of Forward Contract	₹
Unexpired Contract	
- Export	11,66,63,490
- Import	4,50,59,049

2.37 Previous year figures have been regrouped where ever necessary to confirm to current year classification.

2.38 Other Notes forming Part of Accounts:
These are set out in and under "Notes to Financial Statement forming part of accounts for the year ended 31st March, 2016" as given in the standalone Financial Statements of Indsil Hydro Power and Manganese Limited.

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

I. SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

I. Principles of consolidation :

The consolidated financial statements relate to Indsil Hydro Power and Manganese Limited ("the Company") and its subsidiary Company, jointly controlled entity and Wholly-owned Subsidiary. The Consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary Company is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit or losses in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements" as prescribed under Section 133 of the Companies Act, 2013.

ii) Interests in Joint venture have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interests in Joint Ventures".

iii) The difference between the cost of investment in the subsidiaries over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

II. Investments other than in subsidiaries and joint venture have been accounted as per Accounting Standard (AS) 13 - "Accounting for Investments".

III. Other Significant Accounting Policies :

These are set out under "Notes on Accounts" as given in the standalone Financial Statements of Indsil Hydro Power and Manganese Limited.

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended 31.03.16 ₹	Year ended 30.06.15 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before tax	1,25,74,377	5,54,06,918
Adjustments for		
Interest Receipts	(29,91,175)	(1,06,38,914)
Income from Mutual Funds	(43,082)	(7,540)
Depreciation	9,02,52,431	9,30,67,067
Employee compensation - ESOS amortisation	-	1,11,659
Financial charges & Interest	9,43,32,632	10,70,46,797
Profit/Loss on sale of assets	(1,01,146)	(1,44,956)
Provision for gratuity and Encashment of earned leave	5,29,996	13,24,434
Other non operating income	(3,82,44,214)	(3,49,94,812)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	15,63,09,820	21,11,70,653
Adjustments for changes in		
Inventories	18,09,10,837	(20,25,22,505)
Trade receivables	(2,14,34,751)	(20,81,29,698)
Other advances	3,64,51,442	(6,03,95,179)
Other Current assets	4,68,72,506	1,57,64,388
Current liabilities	(60,39,907)	2,62,90,998
Cash generated from operations	39,30,69,947	(21,78,21,344)
Income Tax Payments	(1,65,77,139)	83,60,151
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	37,64,92,808	(20,94,61,193)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,13,13,172)	(8,98,36,950)
Sale of Fixed Assets	52,67,234	5,71,83,629
Purchase of investments	-	-
Interest received	29,91,175	1,06,38,914
Income from Mutual Funds	43,082	7,540
Other non operating income	3,82,44,214	3,49,94,812
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(47,67,468)	1,29,87,945
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Repayment of Long term borrowings	-	-
Decrease in Long term Loan & Advances	47,69,704	(41,64,326)
Increase in Long term borrowings	5,74,63,511	(6,82,17,515)
Decrease in Other long term liabilities	(41,02,868)	
Decrease in Short term borrowings	(23,59,99,250)	44,20,74,090
Increase in Long term Provisions	57,06,911	2,54,10,751
Financial Charges & Interest	(9,43,32,632)	(10,70,46,797)
Payment of Dividend & Tax	(1,90,64,150)	(2,28,76,599)
FCTR Movements	(9,12,74,612)	(8,55,59,643)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(37,68,33,385)	17,96,19,962
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(51,08,045)	(1,68,53,285)
Cash and Cash Equivalents as on 01.07.2015 (Opening Balance)	5,47,23,515	7,15,76,801
Cash and Cash Equivalents as on 31.03.2016 (Closing Balance)	4,96,15,471	5,47,23,516
Note :		
Cash and cash equivalents included in the cash flow statement comprises the following Balance sheet amounts:	4,90,66,818	5,42,17,945
Cash in Hand and balance with Banks	5,48,652	5,05,570
Short term Investments in debt based liquid funds		
	4,96,15,470	5,47,23,515

As per our report of even date

For **M/s. RAJA & RAMAN**
Chartered Accountants
Firm Reg. No. : 003382S

Sd/-
E.R. RAJARAM
Partner
Membership No. 18755

Place : Coimbatore
Date : 26th May, 2016

For and on behalf of the Board

Sd/-
S.N. VARADARAJAN
Executive Vice-Chairman
DIN: 00035693

Sd/-
VINOD NARSIMAN
Managing Director
DIN: 00035746

Sd/-
S. INDERCHAND
Director
DIN: 00035907

Sd/-
S. MAHADEVAN
Company Secretary

Sd/-
R. MURALI
Chief Financial Officer

INDSIL

INDSIL HYDRO POWER AND MANGANESE LIMITED

Corporate Identification No. (CIN) L27101TZ1990PLC002849
Registered Office : "Indsil House" T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002
Phone : 91 422 4522922, 3 Fax : 91 422 4522925 e-mail : indsilho@indsil.com / Website : www.indsil.com

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)
MANDATE FORM FOR PAYMENT OF DIVIDEND

To
S.K.D.C CONSULTANTS LTD
"Kanapathy Towers" 3rd Floor ,
1391/A-1 Sathy Road, Ganapathy, Coimbatore 641 006
Ph : 0422 6549995, 2539835/6
email : info@skdc-consultants.com

Shareholder's authorisation to receive dividends through Electronic Credit Clearing Mechanism

Registered Folio No :	ECS Ref. No. : (for Office use only)
Name of the first / sole shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank (Please attach a blank cancelled cheque, or a photocopy (Xerox copy) of a cheque issued to you by your Bank, for verification of the above particulars).	
Account Type (Please tick the option)	☐ Savings ☐ Current ☐ Cash Credit
Bank Account Ledger Folio No. (if any)	
Effective date of this mandate	

I hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s Indsil Hydro Power and Manganese Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place : Name of First Holder : .....

Date : Signature of First Holder : .....

Note :

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
2. In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to their respective Depository participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account Holders directly to the Company will not be considered.

INDSIL

INDSIL HYDRO POWER AND MANGANESE LIMITED

Corporate Identification No. (CIN) L27101TZ1990PLC002849
Registered Office : "Indsil House" T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002
Phone : 91 422 4522922, 3 Fax : 91 422 4522925 e-mail : indsilho@indsil.com / Website : www.indsil.com

ATTENDANCE SLIP

Please bring this attendance slip and hand it over at the Entrance of
'Chamber Tower, Ground Floor 8/732, Avanashi Road, Coimbatore - 641 018

SEQUENCE No. :

FOLIO No./DP. ID - Client ID :

No. of Shares held :

I hereby record my presence at the 26th ANNUAL GENERAL MEETING at The Indian Chamber of Commerce & Industry, Coimbatore", Chamber Towers, 8/732 Avanashi Road, Coimbatore 641 018 at 10.00 A.M. on Wednesday, the 14th September, 2016,

Signature of the Member or Proxy	No. of Shares held

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)

CIN	L27101TZ1990PLC002849
Name of the Company	Indsil Hydro Power and Manganese Limited
Registered Office	"Indsil House" T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002

Name of the shareholder	
Registered address	
e-mail ID	
Folio No. / DP ID / Client ID	

I / We, being the shareholder(s) of ..... shares of the above named Company, hereby appoint :

1	Name	
	Address	
	e-mail ID	
	Signature	

or failing him

2	Name	
	Address	
	e-mail ID	
	Signature	

or failing him

3	Name	
	Address	
	e-mail ID	
	Signature	

(p.t.o)

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Wednesday, the 14th September 2016 at 10.00 am at "The Indian Chamber of Commerce & Industry, Coimbatore", Chamber Towers, 8/732 Avanashi Road, Coimbatore 641 018 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No. (■) All (■)

1	To receive, consider and adopt the Standalone and Consolidated Annual Financial Statements including the Statement of Profit & Loss, Cash Flow Statement for the financial year ended 31st March, 2016, the Balance Sheet as at that date, the Reports of the Directors and the Report of the Auditors thereon.	
2	To declare dividend on equity shares.	
3	To appoint a Director in place of Sri B. Balchand (DIN 00035878), who retires from Office by rotation, and being eligible, offers himself for reappointment.	
4	To appoint a Director in place of Sri K.S.Mahadevan (DIN 00043314), who retires from Office by rotation, and being eligible, offers himself for reappointment.	
5	To appoint M/s Raja & Raman, Chartered Accountants, Coimbatore (Firm Registration No. 003382S) as Auditors of the Company	
6	To approve ratification of remuneration of Cost Auditor	
7	To approve Related Party Transactions	

Signed this …… day of …… 2016.

Signature of shareholder :

Signature of Proxy holder(s) :

Affix Revenue Stamp

Note: 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.

Notes

Notes

INDSIL

INDSIL HYDRO POWER AND MANGANESE LIMITED
(Standalone)

KEY FINANCIAL INDICATORS

Smelter Facility at Palakkad, Kerala.

Indsil Hydro Power and Manganese Limited

Registered Office : "INDSIL HOUSE", T.V. Samy Road (West),
R.S. Puram, Coimbatore - 641002. Tamil Nadu, India.
Phone : (+91/0) (422) 4522922, 23, 24
Fax : (+91/0) (422) 4522925
e-mail : indsilho@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

The Bombay Stock Exchange Ltd
Dept. of Corporate Services - Listing
Rotunda Building, B.S. Marg, Fort
MUMBAI 400 001

29th May, 2017

Dear Sir,

Sub : **Outcome of the Board Meeting held on Monday, the 29th May, 2017**
Ref : **Scrip Code 522165 Company Code: 4493**

The Board of Directors of the Company at its meeting held on Monday, 29th May 2017 had inter-alia considered and approved the following;

a) Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith Audited Financial results for the quarter and year ended 31st March, 2017 (Standalone & Consolidated) along with Auditors Report. Further note that the statutory auditors of the Company have expressed an unmodified audit opinion in this regard.

b) Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have recommended a dividend of Rs. 0.80 (Eighty Paise) per share of Rs.10/- each for the financial year ended 31st March, 2017, subject to the approval of shareholders in the ensuing Annual General Meeting.

c) The Board of Directors have, in principle, approved the proposal of Merger of M/s. Indsil Energy and Electrochemicals Private Limited with the Company pursuant to Section 230 to 232 of the Companies Act, 2013 subject to the necessary approvals as may be required from the authorities. In this connection, the Board has appointed M/s. Doogar & Associates, Chartered Accountants, New Delhi, as the valuers to carry out the valuation of the Company(ies) in order to determine the swap ratio for the purpose of Merger. The details as required to be disclosed under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall be disclosed soon after the Valuation Report is received and the Scheme of Amalgamation is approved by the Audit Committee/ Board of Directors or its Committee appointed for the purpose.

The Declaration under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the unmodified opinion of the Auditors on the standalone and consolidated financials of the Company is enclosed.

The Board meeting commenced at 10.15 a.m and concluded at 2.30 p.m

Thanking you
Yours truly
For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. MAHADEVAN
COMPANY SECRETARY

Encl : as above

Plant No. VI - 679, Pallatheri, Elapully, Palakkad, Kerala - 678 007.
Phone : (+91/0) (491) 2583501, 502, 503 Fax : (+91/0) (491) 25831267
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"Indsil House", T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002.
PH.No.0422-4522922, Fax No.0422-4522925, CIN-L27101TZ1990PLC002849, Website : www.indsil.com

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2017

(₹ in lakhs)

S. No.	Particulars	Standalone Financials					Consolidated Financials	
		3 months ended (31/03/2017) (Audited)	Preceding 3 months ended (31/12/2016) (Unaudited)	Corresponding 3 months ended in the previous year (31/03/2016) (Audited)	Year to date figures for Current period ended (31/03/2017) (Audited)	Previous Year ended (31/03/16) (Audited) 9 Months	Year to date figures for Current period ended (31/03/2017) (Audited)	Previous Year ended (31/03/16) (Audited)
		1	2	3	4	5	6	7
1.	Revenue from Operations	4206.46	3360.62	1347.70	**11560.25**	6526.70	**22440.57**	17209.89
2	Other Income	430.40	52.33	152.77	**573.53**	776.87	**378.45**	882.51
3	**Total Revenue (1+2)**	4636.86	3412.95	1500.47	**12133.78**	7303.58	**22819.02**	18092.40
4.	**Expenses :**							
	(a) Cost of materials consumed	2430.17	1504.16	517.39	**5755.05**	3069.38	**10497.84**	8371.30
	(b) Purchase of Stock - in - trade	111.59	157.12	108.37	**593.73**	491.77	**593.73**	491.77
	(c) Changes in Inventories of Finished Goods, Stock-in-Trade & Work-in- progress	(13.08)	111.94	371.84	**(356.95)**	365.75	**611.80**	682.63
	(d) Employee Benefit Expense	253.95	228.97	209.90	**883.49**	574.63	**1324.68**	851.44
	(e) Finance Costs	215.65	175.03	130.78	**726.34**	380.89	**1089.00**	943.33
	(f) Depreciation & Amortization Expense	107.87	110.18	104.12	**438.87**	325.61	**1096.35**	902.52
	(g) Other expenses	1383.23	1088.01	283.95	**3863.30**	1636.30	**7463.13**	5723.67
	Total Expenses	4489.37	3375.40	1726.35	**11903.82**	6844.33	**22676.53**	17966.66
5	**Profit before Exceptional & extraordinary Items and tax(3-4)**	147.49	37.55	(225.87)	**229.96**	459.24	142.48	125.74
6	Exceptional items	-	-	-	-	-	-	-
7	Profit before extraordinary items and tax (5+6)	147.49	37.55	(225.87)	**229.96**	459.24	142.48	125.74
8	Extraordinary Items	-	-	-	-	-	-	-
9	Profit before tax (7+8)	147.49	37.55	(225.87)	**229.96**	459.24	142.48	125.74
10	Tax expense							
	(a) Current tax	30.07	7.66	(50.00)	**46.89**	93.63	46.89	93.64
	(a) Deferred tax	(12.29)	(13.47)	(11.28)	**(53.91)**	(33.84)	(53.91)	(33.84)
11	Profit/(Loss) for the period from continuing operation (9-10)	129.71	43.36	(164.59)	**236.98**	399.45	149.51	65.94
12	Share of Profit/ (loss) of Associates							
13	Minority Interest							
14	**Net profit / (Loss) after Taxes Minority interest & share of profit / loss of Associates (11+12-13)**	**129.71**	**43.36**	**(164.59)**	**236.98**	**399.45**	**149.51**	**65.94**
15	Paid-up equity share capital (Face Value of the Share shall be indicated)	1588.68	1588.68	1588.68	**1588.68**	1588.68	**1588.68**	1588.68
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					8229.64	**5836.29**	6242.24
17	Earnings per Equity Share							
	a) Basic	0.82	0.27	(1.04)	1.49	2.51	0.94	0.42
	b) Diluted	0.82	0.27	(1.04)	1.49	2.51	0.94	0.42

Notes :

1. The above results have been reviewed by the Audit Committee at their Meeting on 27.05.2017 and approved by the Board of Directors at their meeting held on 29.05.2017
2. A dividend of Rs.0.80 per equity share@ Rs.10/- each has been recommended by the Board of Directors for the financial year 2016-17 and is subject to approval by the members in the ensuing Annual General Meeting
3. The figures for the previous year/period have been regrouped /re-arranged wherever necessary to make them comparable with those of current period.
4. The Standalone Financials of previous year corresponds to 01.07.2015 to 31.03.2016 for 9 months
5. In accordance with regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the standalone and consolidated financials results of the Company for the year ended 31st March 2017 have been audited by the statutory auditors.
6. With effective from Nov'16, the Company has taken lease of the Plant & Machinery of Sree Mahalakshmi Smelters Pvt Ld.
7. The Consolidated Financial results includes Financial results of Joint Venture Al-Tamman Indsil Ferro Chrome LLC, Subsidiary Company Sree Mahalakshmi Smelters Pvt Ltd., and Wholly Owned Subsidiary Indsil Hydro Global (FZE), Sharjah Airport International Free Zone (SAIF), UAE
8. In respect of Standalone results, figures of the last quarter are the balancing figures between the audited figures in respect of the full financial years and the Published year-to-date figures upto the third quarter of the respective financial years.

Place : Coimbatore
Date : 29.05.2017

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LTD.

-Sd-
S.N.VARADARAJAN
Executive Vice-Chairman

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

INDSIL HYDRO POWER AND MANGANESE LIMITED

Statement of Assets & Laibilities.

	Particulars	Standalone ₹ in Lacs		Consolidated ₹ in Lacs	
		31.03.2017	31.3.2016	31.03.2017	31.03.2016
A.	**Equity and Liabilites**				
1	**Shareholder's Funds**				
	(a) Share Capital	1,588.68	1,588.68	1,588.68	1,588.68
	(b) Reserves & Surplus	8,339.53	8,229.65	5,577.72	5,836.30
	(c) Money Received against share warrants	-	-	-	-
	Sub-total - Shareholder's funds	9,928.21	9,818.33	7,166.40	7,424.98
2	Share Application money pending allotment	-	-	-	-
3	Minority interest	-	-	-	-
4	**Non-Current liabilities**				
	(a) Long-term borrowings	1,662.50	1,541.67	3,738.21	4,816.24
	(b) Deferred Tax liabilities (Net)	165.51	219.42	165.51	219.42
	(c) Other Long term Liabilities	-	-	163.91	212.63
	(d) Long-term Provisions	1,242.24	1,237.44	1,352.54	1,484.00
	Sub-total - Non-current liabilities	3,070.25	2,998.52	5,420.17	6,732.29
5	**Current Liabilities**				
	(a) Short term borrowings	640.28	1,464.66	5,523.77	6,161.48
	(b) Trade payables				
	Total Outstanding dues of Micro and Small enterprises	-	-	-	-
	Total Outstanding dues of Creditors other than Micro and Small enterprises	2,040.92	1,350.88	3,532.32	2,793.22
	(c) Other current liabilities	999.69	919.77	2,800.70	2,368.58
	(d) Short term provisions	189.25	159.92	236.47	159.78
		3,870.14	3,895.23	12,093.26	11,483.06
	TOTAL	**16,868.61**	**16,712.08**	**24,679.83**	**25,640.33**
B	**ASSETS**				
1	**Non-current assets**				
	(a) Fixed assets				
	(i) Tangible assets	3,227.63	3,467.90	10,328.15	11,114.10
	(ii) Intangible assets	-	-	244.07	308.73
	(iii) Capital work-in-progress	-	-	-	-
	(iv) Intangible assets under development	4.83	9.66	-	-
	(b) Goodwill on consolidation	-	-	-	-
	(c) Non-current investments	2,186.81	2,186.81	21.50	21.50
	(d) Deferred Tax asset	-	-	680.34	680.34
	(e) Long-term loans and advances	1,604.15	1,663.07	2,380.03	1,889.17
	Sub-total - Non-current assets	7,023.42	7,327.44	13,654.10	14,013.84
2	**Current assets**				
	(a) Current investments	5.75	5.49	5.75	5.49
	(b) Inventories	2,830.61	2,287.65	6,243.38	6,016.70
	(c) Trade receivables	2,335.41	2,146.93	2,483.63	2,384.94
	(d) Cash and Cash equivalents	431.84	422.71	455.62	490.68
	(e) Short-term loans and advances	4,173.06	4,458.75	1,768.85	2,665.57
	(f) Other current assets	68.52	63.11	68.52	63.11
	Sub-total - Current assets	9,845.18	9,384.64	11,025.74	11,626.49
	TOTAL	**16,868.61**	**16,712.08**	**24,679.83**	**25,640.33**

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

For INDSIL HYDRO POWER AND MANGANESE LTD.

-Sd-
S.N.VARADARAJAN
Executive Vice-Chairman

Place : Coimbatore
Date : 29.05.2017

INDSIL HYDRO POWER AND MANGANESE LTD.

"Indsil House", T.V.Samy Road (West), R.S.Puram, Coimbatore - 641 002.
PH.No.0422-4522922, Fax No.0422-4522925, CIN-L27101TZ1990PLC002849, Website : www.indsil.com

SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2017

Particulars	3 months ended (31/03/2017) (Audited)	Preceding 3 months ended (31/12/2016) (Unaudited)	Corresponding 3 months ended in the previous year (31/03/2016) (Audited)	Year to date figures for Current period ended (31/03/2017) (Audited)	Previous Year ended (31/03/16) (Audited) 9 Months
	Rs. In Lakhs				
1. Segment Revenue					
(Net sales/income)					
a) Ferro Alloys	4,636.86	3412.95	1,393.81	12,133.78	6,845.59
b) Hydro Power	39.77	26.33	374.60	597.75	2,001.32
Total	4,676.63	3439.28	1,768.41	12,731.53	8,846.91
Less : Inter Segment Revenue	39.77	26.33	267.93	597.75	1,543.33
Net Sales/Income from Operations	4,636.86	3412.95	1,500.48	12,133.78	7,303.58
2. Segment Results					
(Profit/(Loss) before interest & tax)					
a) Ferro Alloys	435.71	240.31	(386.20)	705.09	(913.35)
b) Hydro Power	(72.58)	(27.74)	291.10	251.20	1,753.48
Sub-Total	363.14	212.58	(95.10)	956.29	840.13
Less:					
I) Interest	215.65	175.03	130.78	726.34	380.89
II) Other unallocable Expenditure	-	-	-	-	-
III) Other unallocable income	-	-	-	-	-
Total Profit/(Loss) before tax	147.49	37.55	(225.87)	229.96	459.24
3. Capital Employed:					
(Segment assets-Segment liabilities)					
a) Ferro Alloys	10,179.62	9589.34	9,342.85	10179.62	9,342.85
b) Hydro Power	2,818.84	3113.22	3,478.80	2818.84	3,478.80
Total capital Employed	12,998.46	12,702.55	12,821.65	12,998.46	12,821.65

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

RAJA & RAMAN
CHARTERED ACCOUNTANTS

PHONES : 2245591, 2246591
4394591

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

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

Auditor's Report on Standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of INDSIL HYDRO POWER AND MANGANESE LIMITED.

1. We have audited the quarterly standalone financial results ofINDSIL HYDRO POWER AND MANGANESE LIMITED ("the company") for the quarter ended March 31,2017 and the financial resultsfor the year ended March 31,2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year to date figures upto December 31, 2016, being the date of the end of the third quarter of the current financial year which is subject to limited review. The standalone financial results for the quarter and year to date ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine months period ended December 31, 2016, the audited annual standalone financial statements as at and for the year ended March 31, 2017 and the relevant requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine months period ended December 31, 2016, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard – 25 – Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone financial statements as at and for the year ended March 31,2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

RAJA & RAMAN Coimbatore 641 018. Chartered Accountants

3. In our opinion and to the best of our information and according to the explanations given to us these standalone quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2017 and for the year ended March 31, 2017.

Place: Coimbatore

Date: May 29, 2017.

C. No. SMS-002/17-18

For RAJA & RAMAN
CHARTERED ACCOUNTANTS
FRN 003382 S

K.R. RANGARAJAN, FCA.
PARTNER
M. No : 224928

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

RAJA & RAMAN
CHARTERED ACCOUNTANTS

PHONES : 2245591, 2246591
4394591

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

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

Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of INDSIL HYDRO POWER AND MANGANESE LIMITED.

1. We have audited the consolidated year to date financial results of INDSIL HYDRO POWER AND MANGANESE LIMITED for the year ended 31st March, 2017 attached here with, being submitted by the Company pursuant to the Requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. These consolidated financial results have been prepared from consolidated financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down as per Accounting Standards mandated under Section 133 of the Companies act, 2013 read with relevant rules issued there under as applicable and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements/financial information of the wholly owned subsidiary which reflects total revenue of Rs. 3,32,28,630/- for the year ended April 30, 2017 and total assets of Rs. 89,01,323/- as at April 30, 2016; and the financial statements/financial information of one jointly controlled entity which reflects total revenue of Rs. 4,08,71,74,668/- for the year ended December 31, 2016 and total assets of Rs. 3,79,03,84,430/- as at December 31, 2016. These financial statements and other financial information have been audited by other auditors whose audit report for the year ended April 30, 2017, in respect of the wholly owned subsidiary and the audit report for the year ended December 31, 2016, in respect of the jointly controlled entity, have been furnished to us, and our opinion on the consolidated financial results for the year ended March 31, 2017 is based solely on the reports of the other auditors.

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

RAJA & RAMAN Coimbatore 641 018. Chartered Accountants

In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:

I. Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

II. Give a true and fair view of the net profit and other financial information for the year ended March 31, 2017.

Place: Coimbatore
Date: May 26, 2017

C No. SMS-001/17-18

For RAJA & RAMAN
CHARTERED ACCOUNTANTS
FRN 003382 S

K.R. RANGARAJAN, FCA.
PARTNER
M. No : 224928

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

INDSIL HYDRO POWER AND MANGANESE LIMITED

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

29th May, 2017

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Dear Sir

Sub : Declaration with respect to Auditor's Report with unmodified opinion to the Standalone and Consolidated Audited Financial Results for the Financial year Ended March 31, 2017.

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s Raja & Raman, Chartered Accountants (Firm's Registration No.003382S) have not expressed any modified opinion in its Standalone and Consolidated Annual Audited Financial Results of the Company, for the Financial Year ended March 31, 2017.

Thanking you
Yours faithfully
For INDSIL HYDRO POWER AND MANGANESE LIMITED

R. MURALI
CHIEF FINANCIAL OFFICER

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

FORM A

Form A (for Audit Report with unmodified opinion)

1	Name of the Company	Indsil Hydro Power and Manganese Limited
2	Annual financial statements for the year ended	31st March,2017 (Standalone)
3	Type of Audit observation	Un Modified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	Managing Director	
	CFO	
	Auditor of the Company	CHARTERED ACCOUNTANTS FRN 003382 S K.R. RANGARAJAN, FCA. PARTNER M. No : 224928
	Audit Committee Chairman	

Place: Coimbatore
Date : 29.05.2017

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

S. Mahadevan
Company Secretary

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

FORM A

Form A (for Audit Report with unmodified opinion)

1	Name of the Company	Indsil Hydro Power and Manganese Limited
2	Annual financial statements for the year ended	31st March,2017 (Consolidated)
3	Type of Audit observation	Un Modified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	Managing Director	
	CFO	
	Auditor of the Company	For RAJA & RAMAN CHARTERED ACCOUNTANTS FRN 003382 S K.R. RANGARAJAN, FCA. PARTNER M. No : 224928
	Audit Committee Chairman	

Place: Coimbatore
Date : 29.05.2017

Certified True Copy

For INDSIL HYDRO POWER AND MANGANESE LIMITED

C. 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