

33rd Annual Report 2015-2016



MSR INDIA LIMITED

8-2-293/A/732A-1, Plot No-732, Jubilee Hills, Co - Operative House Building Society,
MSR Towers, 3rd Floor, Road No-36, Jubilee Hills, Hyderabad-500081.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. K.V. Rajasekhara Reddy	-	Managing Director (DIN: 07120153)
Mrs. Priyanka Palacharla	-	Independent Director (DIN: 02925766)
Mr. Koti Reddy Somala	-	Independent Director (DIN: 03055201)
Mr. Gundala Raju	-	Independent Director (DIN: 01742710)

KEY MANAGERIAL PERSONS

Mr. Krishna Reddy. M	-	C.F.O
Mr. Abhilash	-	Company Secretary

REGISTERED OFFICE

MSR India Limited
MSR Towers, 3rd Floor Road No.36
Jubilee hills, Hyderabad,
Telangana, 500081 India.

CORPORATE OFFICE

MSR India Limited
MSR Towers, 3rd Floor Road No.36
Jubilee hills, Hyderabad,
Telangana, 500081 India.

STATUTORY AUDITORS

Vijay Sai Kumar & Associates,
Chartered Accountants
210/3^{RT}, Vijaynagar Colony,
Hyderabad – 500057.

INTERNAL AUDITOR

M/s. Nirosha
MSR Towers, 3rd Floor Road No.36
Jubilee hills, Hyderabad,
Telangana, 500081 India.

SECRETARIAL AUDITOR

M/s. S. S. Reddy & Associates
Practicing Company Secretaries
Plot No.6-3-354/13, A1,
Suryateja Apartments,
Hindi Nagar, Panjagutta,
Hyderabad-500034

CORPORATE IDENTITY NUMBER

L15122TG2002PLC039031

AUDIT COMMITTEE

- | | |
|-----------------------------|------------|
| 1. Mr. Koti Reddy Somala | - Chairman |
| 2. Mrs. Priyanka Palacharla | - Member |
| 3. Mr. Gundala Raju | - Member |

NOMINATION & REMUNERATION COMMITTEE

- | | |
|-----------------------------|------------|
| 1. Mr. Koti Reddy Somala | - Chairman |
| 2. Mrs. Priyanka Palacharla | - Member |
| 3. Mr. Gundala Raju | - Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

- | | |
|------------------------------|------------|
| 1. Mr. K.V. Rajasekhar Reddy | - Chairman |
| 2. Mrs. Priyanka Palacharla | - Member |
| 3. Mr. Gundala Raju | - Member |

RISK MANAGEMENT COMMITTEE:

- | | |
|------------------------------|------------|
| 1. Mr. Koti Reddy Somala | - Chairman |
| 2. Mr. Gundala Raju | - Member |
| 3. Mr. K.V. Rajasekhar Reddy | - Member |

REGISTRAR & SHARE TRANSFER AGENTS

Venture Capital And Corporate Investments Private Limited.
12-10-167,
Bharat Nagar
Hyderabad, 500018,
Phone: +91 040-23818475/23818476/23868023
Fax: +91 040-23868024
Email: info@vccilindia.com

LISTED AT

BSE Limited.

DEMAT ISIN NUMBER IN NSDL& CDSL:

INE331L01026

WEBSITE

www.msrindia.in

INVESTOR E-MAIL ID

info@msrindia.in

NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the Shareholders of M/s. MSR India Limited will be held on Friday, the 30th day of September 2016 at 10.30 a.m at Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad -500055 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend on equity shares for the year ended 31.03.2016.
3. To appoint a director in place of Mr. K.V. Rajasekhar Reddy, (holding DIN: 07120153), who retires by rotation and Being eligible, offers himself for re-appointment.
4. To appoint M/s. Vijay Sai Kumar & Associates., Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as May be fixed by the Board.

SPECIAL BUSINESS:**5. REMUNERATION OF Mr. K.V. RAJASEKHAR REDDY (DIN: 0710153), MANAGING DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under, the consent of the shareholders of the Company be and is hereby accorded to the Board to fix, alter or vary from time to time the remuneration payable to Mr. K.V. RAJASEKHAR REDDY (DIN: 0710153) in such manner as it may deem fit including doubling the limits (without the approval of the Central Government) as prescribed under Schedule V of the Companies Act, 2013 including any Statutory modifications(s) in force or that may hereinafter be made thereto by the Central Government as may be agreed by the Board of Directors and Mr. K.V. RAJASEKHAR REDDY (DIN: 0710153).”

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. K.V. RAJASEKHAR REDDY (DIN: 0710153) as Managing Director, the remuneration, perquisites and other allowances, if any fixed by the Board of Directors shall be governed by the limits prescribed in Schedule V to the Act.”

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V. Rajasekhar Reddy
Managing Director
(DIN: 07120153)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (Both days inclusive).
5. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
6. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
7. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
9. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Venture Capital And Corporate Investments Private Limited.)
11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to **M/s Venture Capital And Corporate Investments Private Limited.**, Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.
17. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website www.msrandia.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: Info@msrandia.in
18. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, and Pursuant to Regulation 44 of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The remote e-voting period will commence on Tuesday, 27th September 2016 at 9.00 a.m. on and will end on Thursday, 29th September, 2016. The facility for voting through ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The Company has appointed Mr. S. Sarveswar Reddy, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

I. the Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

(a) In case of Members receiving an e-mail from Karvy:

(i) Launch an internet browser and open <https://evoting.karvy.com>

(ii) Enter the login credentials (i.e. User ID and password). The Event No. Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e- voting, you can use your existing User ID and password for casting your vote.

(iii) After entering the above details click on - Login.

(iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

(v) On successful login, the system will prompt you to select the E-Voting Event

(vi) Select the EVENT of MSR India Limited and click on - Submit.

(vii) Now you are ready for e-voting as 'Cast Vote' page opens.

- (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by an e-mail at cs@msrindia.in. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip
- (I) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
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- (ii) Please follow all steps from Sr. No. (i) To Sr. No. (xi) Above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.

III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.

IV. The voting rights shall be as per the number of equity share held by the Member(s) as on 23rd September, 2016. Members are eligible to cast vote electronically only if they are holding shares as on that date.

V. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

VI. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

VII. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD Event number Folio No. or DP ID Client ID to 9212993399

Example for NSDL: MYEPWD IN12345612345678

Example for CDSL: MYEPWD 1402345612345678

Example for Physical: MYEPWD XXX1234567

b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. Member may call Karvy's toll free number 1-800-3454-001

d. Member may send an e-mail request to evoting@karvy.com

VII. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Private Limited.

19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23.09.2016.
20. Mr.S.Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
21. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the remote e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
22. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.msrintia.in and on the website of <https://evoting.karvy.com/> within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
23. 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. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V. Rajasekhar Reddy
Managing Director
(DIN: 07120153)**

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO. 4:

Having regard to the knowledge, experience of Mr. K.V. Rajasekhar Reddy (DIN No. 07120153) and the responsibilities shouldered on her, considering the recommendation of Nomination & Remuneration committee, the Board accorded its approval at the meeting held on 29.08.2016, subject to the approval of shareholders of the Company by way of special resolution, to revise the salary payable to Mr. K.V. Rajasekhar Reddy (DIN No. 07120153) within the limits of managerial remuneration (without the approval of the Central Government) including doubling the limits as prescribed under Section 197 read with Schedule V to the Companies Act, 2013 till the expiry of her respective tenure. The Nomination & Remuneration committee had approved the remuneration payable to Mr. K.V. Rajasekhar Reddy (DIN No. 07120153) by passing the necessary resolution in its meeting held on 13.08.2016 in terms of Schedule V to the Companies Act, 2013.

It is therefore, proposed that the remuneration to Mr. K.V. Rajasekhar Reddy (DIN No. 07120153) as prescribed under Section 197 read with Schedule V to the Companies Act, 2013, be approved by the shareholders of the company at the forthcoming Annual General Meeting.

The Board of Directors recommends the passing of the above resolution as a Special Resolution.

Except the Directors, Mr. K.V. Rajasekhar Reddy (DIN No. 07120153), none of the other directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

Information in accordance with Schedule V of Companies Act, 2013

I. GENERAL INFORMATION

1	Nature of Industry : DAIRY PRODUCTS												
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 2002												
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable												
4	<p>Financial performance based on given indications</p> <p>(A). Net Profit or loss under section 198 of the Companies Act, 2013 on consolidated basis</p> <table><tr><th>Particulars</th><th>2015 to2016 (Rs. in Lakhs)</th><th>2014 to2015 (Rs. in Lakhs)</th><th>2013 to2014 (Rs. in Lakhs)</th></tr><tr><td>Turnover</td><td>17709.53</td><td>8574.46</td><td>1024.85</td></tr><tr><td>Net profit after Tax</td><td>80.13</td><td>40.93</td><td>-19.41</td></tr></table>	Particulars	2015 to2016 (Rs. in Lakhs)	2014 to2015 (Rs. in Lakhs)	2013 to2014 (Rs. in Lakhs)	Turnover	17709.53	8574.46	1024.85	Net profit after Tax	80.13	40.93	-19.41
Particulars	2015 to2016 (Rs. in Lakhs)	2014 to2015 (Rs. in Lakhs)	2013 to2014 (Rs. in Lakhs)										
Turnover	17709.53	8574.46	1024.85										
Net profit after Tax	80.13	40.93	-19.41										

II. INFORMATION ABOUT THE APPOINTEE:

1.	Background Details: Mr. K.V. Rajasekhar Reddy (DIN No. 07120153) aged about 26 years has an mechanical engineering degree and has been credited with developing DR. Copper which is the world's 1 st seamless Copper water bottle with a lot of health benefits. He is the main reason behind the successful R&D of DR.COPPER in such a short time. In his tenure as Vice President (Production & Marketing) he has set up a digital marketing team which markets all the products of MSR INDIA LIMITED on various social platforms. He has done an extensive market research on the DR.COPPER project, he has also conducted market survey on usage of water bottles in India, which was used to analyze the water bottle market in India and has given a clear vision for the company on the market of water bottles and helped the company to identify its competitors.
2.	Past Remuneration: The remuneration drawn by Mr. K.V. Rajasekhar Reddy Managing Director is Rs.2,09,557/- per month.
3.	Recognition or awards : Not Applicable
4.	Job Profile and his suitability: Mr. K.V. Rajasekhar Reddy, Managing Director of the Company heads the Marketing, Operations, R&D and finance focuses on strategic direction, corporate planning, corporate governance and regulatory aspects of running a publicly listed company. HIS primary focus is creating shareholder value by ensuring compliance with various aspects of the organization are adding value to stakeholders like clients, employees, partners, industry and society.
5.	Remuneration proposed As set out in the resolutions for the item No.5, the remuneration to Mr. K.V. Rajasekhar Reddy, Managing Director has the approval of the Nomination and Remuneration Committee
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin) Taking into consideration of the size of the Company, the profile of Mr. K.V. Rajasekhar Reddy and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any Beside, the remuneration proposed, he is holding 1100 Equity Shares of the Company.

III.OTHER INFORMATION:

1.	Reasons for inadequate profits or negative effective capital: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2.	Steps taken or proposed to be taken for improvement: The distributor network of the company has been increased to increase the revenue of the company.
3.	Expected increase in productivity and profit in measurable terms: The company is expected to generate huge revenue for the current financial year.

For and on behalf of the Board
MSR India Limited

Place: Hyderabad
Date: 29.08.2016

Sd/-
K.V. Rajasekhar Reddy
Managing Director
(DIN: 07120153)

DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2016 has been as under:

Particulars	(Rs. In Lakhs)	
	2015-2016	2014-2015
Total Income	17,709.53	8574.46
Expenditure	17,611.24	8520.83
Profit before exceptional items and Tax	98.29	53.63
Exceptional Item	-	-
Profit/(Loss) Before Tax	98.29	53.63
Less: Deferred Tax	-	-
Less: Provision of MAT	18.15	12.70
Net Profit/ (loss) after Tax	80.13	40.93
Balance Carried to Balance Sheet	80.13	40.93

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March 2016 and the date of Board's Report. (I.e. 29/08/2016)

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec. 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

DIVIDEND:

The Company has declared 2% dividend on Face value of equity shares.

CORPORATE GOVERNANCE:

A Separate section titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report.

DIRECTORS/CEO/CFO AND KEY MANAGERIAL PERSONNEL:

Details of re-appointment /appointment of the director: K.V.Rajasekhar Reddy

PARTICULARS	DETAILS
Brief Resume of the Director	<p>He is an mechanical engineering graduate and has been credited with developing DR. Copper which is the world's 1st seamless Copper water bottle with a lot of health benefits. He is the main reason behind the successful R&D of DR.Copper in such a short time. In his tenure as Vice President (Production & Marketing) he has set up a digital marketing team which markets all the products of MSR INDIA LIMITED on various social platforms.</p> <p>He has done an extensive market research on the DR.Copper project, he has also conducted market survey on usage of water bottles in India, which was used to analyze the water bottle market in India and has given a clear vision for the company on the market of water bottles and helped the company to identify its competitors.</p> <p>He even has conducted a SWOT analysis on the DR. Copper product and had devised a cost effective marketing strategy accordingly. He has represented the company at many national and International events and has attracted many investors. He also played an instrumental role in obtaining all clearances from the government of telangana for the company's new manufacturing unit.</p> <p>He played a key role in bringing back the company to profits in 2014-15. After taking the charge as Vice President, he has restructured the administration process of the organization and has assigned KRA to all the employees. He has been effective in motivating the employees and extracting the best result from them.</p> <p>He played a key role in increasing the distributor network for the company and has also been significant in launching the company's new business verticals.</p>
Nature of expertise in specific functional areas	MARKETING, FINANCE, OPERATIONS & R&D
Disclosure between directors inter-se	NIL
Names of Listed companies where the Director holds directorship and the membership of Committees of the board	NIL

INTER-SE TRANSFER:

Mr. M.Srinivasa Reddy Belonging to Promoter Category has transferred shares through Inter-se transfer to M. Malla Reddy (Brother), Padmavathi (Wife), Dheeraj (Son), Kanaka Vindya Prudhvi (Daughter) & Vijaya Lakshmi (Sister).

DIVERSIFICATION INTO NEW VERTICALS:

The Company is happy to announce that it has entered into new verticals of business in the Current Financial Year 2016-17. The Company has diversified into following sector:

1. **Extrusion & Forging:** The Company has set up Extrusion and Forging unit at Jeedimetla plant. The Company has specialized in production of Special Purpose components for Aerospace and Defense Industry. The Company has recently received a work order from Vikram Sarabhai Space centre (ISRO) and has completed the same in a record time.
2. **DR.COPPER:** The Company's brainchild DR.COPPER world's first seamless copper water bottle is being manufactured at our Company's Jeedimetla plant.
3. **FMCG SECTOR:** The Company has a built a state of art Manufacturing unit at Bowrampet. The Company will manufacture Pasta, Vermicelli, Chakki Atta, Suji Rava, Maaida, Energiam & Energy powder from this plant. The Company also will sell pulses and household grocery products.
4. **e-COMMERCE PORTAL:** The Company is in the process of launching "monthlybasket.co.in" an e-commerce portal. Where the company plans to sell household groceries under single pack. The concept is unique and has a huge potential.

All the above sectors would give huge boost to the company's revenue in the current fiscal year.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr. Koti Reddy Somala, Mr. Gundala Raju, and Mrs. Priyanka Palacharla, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS:

M/s. Vijay Sai Kumar & Associates, Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. Vijay Sai Kumar & Associates., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

INTERNAL AUDITOR:

M/s. Nirosha is the internal Auditor of the Company for FY 2015-16.

SECRETARIAL AUDITOR:

The Board had appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, Hyderabad, having CP No.7478 to conduct Secretarial Audit for the financial year 2015-16, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR – 3 for the financial year 2015- 16 is enclosed herewith as Annexure A to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

AUDIT REPORTS:**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2016 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust growth in the industry.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and noted the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs.NIL

Foreign Exchange Outgo: Rs. NIL

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

INSURANCE:

The properties and assets of your Company are adequately insured.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans or Guarantees during the year under review.

CREDIT & GUARANTEE FACILITIES:

The company has not given loans or Guarantees during the year under review

RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. Remuneration paid to Mr. K.V.Rajasekhar Reddy, Managing Director of the company of Rs. 22, 95,571 per annum which is well within the limits of Section 197 read with Schedule V of Companies Act, 2013. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.msrindia.in

DISCLOSURE ABOUT COST AUDIT: Cost Audit is not applicable to the Company.

RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, the ratio of remuneration to maiden employees is 1:1.99 times in case of Mr.K.V.Rajasekhar Reddy

Non-Executive Directors' Compensation and Disclosures

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

CEO/ CFO Certification

The Managing Director and CEO/ CFO certification of the financial statements for the year 2015-16 is provided elsewhere in this Annual Report.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

SECRETARIAL STANDARDS

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

EVENT BASED DISCLOSURES:

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

2. Issue of shares with differential rights: The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

3. Issue of shares under employee's stock option scheme: The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014

4. Non- Exercising of voting rights : During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

5. Disclosure on purchase by company or giving of loans by it for purchase of its shares: The Company did not purchase or give any loans for purchase of its shares.

6. Buy back shares: The Company did not buy-back any shares during the period under review.

7. Preferential Allotment of Shares: The company did not allot any shares on preferential basis during the period under review.

EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs.1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 197(12) of Companies Act 2013 read with Rule 5 of Companies(Appointment & Remuneration Of Managerial Personnel) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL, etc and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V.Rajasekhar Reddy
Managing Director
(DIN: 07120153)**

DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT AS PER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

To,

The shareholders

I, K.V.Rajasekhar Reddy, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V.Rajasekhar Reddy
Managing Director
(DIN: 07120153)**

CORPORATE GOVERNANCE

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at MSR India Limited as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

2. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD:

The Company is managed and controlled through a professional body of Board of Directors which is headed by Mr. K.V.Rajasekhar Reddy, Managing Director. As on 31st March 2016, the Board of the Company has 4 members (including 1 Managing Director and 3 Independent Non-Executive Directors including women director). None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director.

The Board has been enriched with the advices and knowledge of the Independent Directors. None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees. The composition of the Board of Directors as on 31.03.2016 and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING And

C. NUMBER OF OTHER BOARD OF DIRECTORS IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON.

Name of Director	Category of Directorship	No of Directorships in other Companies	Number of Board Committee memberships held in other Companies		Attendance Particulars		
			Memb er	Chairman	Last AGM 30.09.2015	Board meetings'15-16' held	attended
Mr. K.V. Rajasekhar Reddy	Managing Director	NIL	NIL	NIL	Present	8	6
Mr. Koti Reddy Somala	Independent & NED	1	NIL --	NIL --	Present	8	8
Mrs.Priyanka Palacharla	Independent & NED	1	8	2	Present	8	8
Mr. Gundala Raju	Independent & NED	NIL	NIL	NIL	Present	8	8
#Mr.M.Srinivasa Reddy	Managing Director & E.D	1	1	NIL	Absent	1	1

#Resigned w.e.f.10.07.2015

D. MEETINGS DURING THE YEAR:

The Board of Directors duly met 8(Eight) times on 28.05.2015, 10.07.2015 ,14.08.2015, 29.08.2015 ,14.11.2015, 07.12.2015, 11.02.2016 and 24.02.2016 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

E. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

There is no inter-se relationship among the Directors.

F. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

Mrs. Priyanka Palacharla Independent director holds 2, 86,475 Equity shares of the company.

3. AUDIT COMMITTEE:**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE:

There were four (4) Audit Committee Meetings held during the year on 28.05.2015, 14.08.2015, 14.11.2015, 11.02.2016.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Koti Reddy Somala	Chairperson	NED(I)	4	4
Mrs. Priyanka Palacharla	Member	NED(I)	4	4
Mr. Gundala Raju	Member	NED(I)	4	4

NED (I) : Non Executive Independent Director

4. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three non-executive independent Directors

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management 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 employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

The committee has met two times in year on 14.08.2015 11.02.2016.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr.Koti Reddy Somala	Chairperson	NED(I)	2	2
Mrs. Priyanka Palacharla	Member	NED(I)	2	2
Mr. Gundala Raju	Member	NED(I)	2	2

NED (I) : Non Executive Independent Director

C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

Policy:

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

2.1 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 and other relevant laws.

3. Criteria of independence

3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.3 The independent Director shall abide by the "code for independent Directors" as specified in Schedule IV to the companies Act, 2013.

4. Other directorships/ committee memberships

4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

4.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

4.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

6. STAKEHOLDER'S RELATIONSHIP COMMITTEE

- i. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.
- ii. The broad terms of reference of the stakeholders' relationship committee are as under:
 - Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
 - Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
 - The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

A) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K.V.Rajasekhar Reddy	Chairperson	ED
Mrs. Priyanka Palacharla	Member	NED (I)
Mr. Gundala Raju	Member	NED (I)

NED (I) : Non Executive Independent Director

ED: Executive Director

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. Abhilash T, Company Secretary of the company, is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2014-15

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2016
Pending at the beginning of the year	NIL
Received during the year	NIL
Disposed of during the year	NIL
Remaining unresolved at the end of the year	NIL

5. REMUNERATION OF DIRECTORS:

A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY: The Non- Executive Directors have no pecuniary relationship or transactions.

B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

Policy:

1. Remuneration to Executive Director and key managerial personnel

- 1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.
- 1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
 - (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
 - (vi) Annual performance Bonus
- 1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

2. Remuneration to Non – Executive Directors

- 2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.
- 2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3. Remuneration to other employees

- 3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2015-16 AND OTHER DISCLOSURES

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. K.V.Rajasekhar Reddy	22,95,571	NIL	1110	NA	NIL	22,95,571	NIL
Mr. Koti Reddy Somala	NIL	NIL	NIL	NA	NIL	NIL	NIL
Mrs. Priyanka Palacharla	NIL	NIL	2,86,475	NA	NIL	NIL	NIL
Mr. Gundala Raju	NIL	NIL	NIL	NA	NIL	NIL	NIL

D. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 24.02.2016, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The details of the familiarization program is given at company's website (www.msrandia.in /Investor Relations)

REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

- 2.1 “Director” means a director appointed to the Board of a Company.
- 2.2 “Nomination and Remuneration Committee” means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 2.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Remuneration policy for Directors, key managerial personnel and other employees:

1. Scope:

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 “Director” means a director appointed to the Board of the company.
- 2.2 “key managerial personnel” means
- (i) The Chief Executive Officer or the managing director or the manager;
 - (ii) The company secretary;
 - (iii) The whole-time director;
 - (iv) The chief finance Officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

E. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 24/02/2016 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 1 non-independent director namely:

- i.) Mr. K.V.Rajasekhar Reddy –Managing Director

The meeting recognized the significant contribution made by Mr. K.V.Rajasekhar Reddy in directing the Company towards the success path .

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

7. RISK MANAGEMENT COMMITTEE

A.) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr.Koti Reddy Somala	Chairman	NED(I)
Mr. Gundala Raju	Member	NED(I)
Mr.K.V.Rajasekhar Reddy	Member	ED

NED (I) : Non Executive Independent Director

ED : Executive Director

B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.

- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

8. DETAILS ON GENERAL BODY MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2014-2015	30-09-2015	10.00AM	S.No.658, Bowrampet (V), Quthbullapur (Mandal), Ranga Reddy Dist. 500043. A.P. India.	Ordinary: 1. Approval of financial statements for the year ended 31.03.2015 2. To ratify appointment of M/s.Vijay sai kumar & Associates as statutory auditors of the company. Special: 1.Appointment of Mr.K.V Rajasekhar Reddy as director of the company. 2. Appointment of Mr.K.V.Rajasekhar Reddy as managing director of the company. 3.Amendment of Articles of Association of the Company.
2013-2014	30-09-2014	10.00AM	S.No.658, Bowrampet (V), Quthbullapur (Mandal), Ranga Reddy Dist. 500043. A.P. India.	Ordinary: 1. Approval of financial statements for the year ended 31.03.2014. 2. To appoint a Director in place of Mr. S Koti Reddy who retires by rotation and being eligible, seeks re-appointment as non-retiring Independent Director for a period of 5 (five) years. 3. To appoint M/s. Vijay Sai Kumar & Associates as Statutory Auditors, Hyderabad, bearing Firm Registration No. 004694S to hold office from the conclusion of this Annual General Meeting until the conclusion of the 36th Annual General Meeting of the Company. Special: To appoint Mr. Gundala Raju (DIN:01742710) as a Independent Director.

2012-2013	29-07-2013	10.00AM	S.No.658, Bowrampet (V), Quthbullapur (Mandal), Ranga Reddy Dist. 500043. A.P. India.	Ordinary: 1. Approval of financial statements for the year ended 31.03.2013. . 2. To appoint a Director in place of Mr. I Srinivasa Raju who retires by rotation and being eligible, offers himself for re-appointment. 3. To appoint M/s. Bhaskara Rao & Associates as Statutory Auditors, Hyderabad, bearing Firm Registration No.: 006171S to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.
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PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the financial year 2015-16.

9. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at www.msrintia.in As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

10. GENERAL SHAREHOLDER INFORMATION:

A) ANNUAL GENERAL MEETING:

Day, Date and Time: Friday, 30th September, 2016 at 10.30 am

Venue: Plot No.D-16, Road No. 73, Phase –IV, Extn, Jeedimetla, Hyderabad- 500055.

B) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)

Financial year to which the Annual General Meeting relates: 2015-16

Financial calendar: 16-17

Adoption of Quarterly results for the Quarter ending

- 30th June, 2016 : 14th August, 2016
- 30th September, 2016 : 1st/2nd week of November, 2016
- 31st December, 2016 : 1st/2nd week of February, 2016
- 31st March, 2017 : on or before 30th May 2017

Annual General Meeting (Next year): August / September, 2017

C) DIVIDEND PAYMENT DATE: Dividend would be paid within 30 days of shareholders approval in AGM.

D) NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:
BSE LIMITED, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

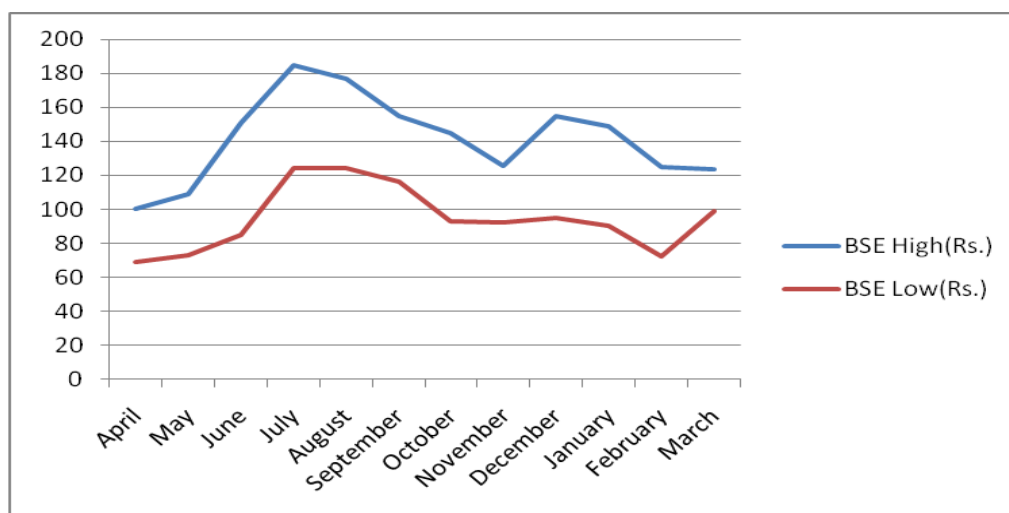
E) STOCK CODE: 508922 EXCHANGE: BSE Limited

CODE: MSRINDIA

F) STOCK MARKET PRICE DATA:

Months	BSE	
	High(Rs.)	Low(Rs.)
April	100	69
May	109	72.95
June	151	84.90
July	185	124
August	177	124
September	154.90	116
October	144.80	93
November	125.50	92.10
December	155	95
January	148.80	90.20
February	125	72
March	123.50	99

G) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE sensex, CRISIL Index etc.



H) Registrar and Share Transfer Agents:

Venture Capital And Corporate Investments Private Limited.
 12-10-167,
 Bharat Nagar
 Hyderabad, 500018,
 Phone: +91 040-23818475/23818476/23868023
 Fax: +91 040-23868024
 Email: info@vccilindia.com

I) SHARE TRANSFER SYSTEM:

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks.

J) DISTRIBUTION OF SHAREHOLDING:**I. Distribution of equity shareholding as on March 31,2016:**

Range(Rs.)	No of Shareholders	% of Total Shareholders	No of Shares	% of Total Shareholding
Upto - 500	536	70.99	36559	0.06
501 - 1000	32	4.24	26248	0.04
1001 - 2000	37	4.90	54854	0.09
2001 - 3000	30	3.97	78249	0.12
3001 - 4000	7	0.93	25415	0.04
4001 - 5000	6	0.79	28976	0.05
5001 - 10000	28	3.71	199754	0.32
10001 - Above	79	10.46	62429945	99.28
Total	755	100	62880000	100

ii Categories of equity shareholders as on March 31, 2016:

Sl.No	Name of the Shareholders	No. of Equity shares held	% Of holding
A	Promoter and Promoter Group	4,68,52,718	74.51
	Sub- Total A	4,68,52,718	74.51
B	Public shareholdings		
1.	Institutions	NIL	NIL
2.	Non- Institutions		
a	Bodies Corporate	5255877	8.36
b	Indian public and others	6235266	9.92
c	Any others		
	i.NRI,s	1420	0.00
	ii.Clearing Members	4534719	7.21
	iii.Employee	NIL	NIL
	Sub- Total A	1,60,27,282	25.49
	Grand Total (A+B)	6,28,80,000	100

K) DEMATERIALISATION & LIQUIDITY OF SHARES:

The Company's Shares are compulsorily traded in dematerialized form. Equity shares of the company representing 91.48 of the Company's equity share capital are dematerialized as on March 31,2016

The Company's equity shares are regularly traded on BSE, in dematerialized form.

Under the depository system, the international securities identification number (ISIN) allotted to the Company's shares are INE331L01026.

Particulars	No. of Shares	% Share Capital
NSDL	8417514	13.39
CDSL	49106486	78.10
PHYSICAL	5356000	8.52
Total	62880000	100

L) PLANT LOCATIONS:**UNIT –I**

Plot No.D-16, Road No.73,Phase-IV Extn. Jeedimetla,
Hyderabad-500055, Telangana, India.

UNIT –II

Sy.No.36, Bowrampet (V), Quthubullapur (M),
Ranga Reddy District, Pin No – 500043,
Telangana, India.

M) ADDRESS FOR CORRESPONDANCE:

Mr.Abhilash .T

Address: MSR India Limited, MSR Towers,
3rd Floor Road No.36, Jubilee hills,
Hyderabad, Telangana, 500081 India.

A) BOOK CLOSURE DATE:

24th September 2016 to 30th September 2016 (both days inclusive)

B) LISTING ON STOCK EXCHANGES:

The equity shares of the Company are listed on BSE Ltd.

C) ELECTRONIC CONNECTIVITY:

Demat ISIN Number: INE331L01026

D) NATIONAL SECURITIES DEPOSITORY LIMITED

Trade World, A wing, 4th & 5th Floors, Kamala Mills Compound,
Lower Parel, Mumbai - 400 013.

E) CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

Regd. Office: 17th floor, P J Towers,
Dalal Street, Mumbai – 400001

F) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016:

S. No	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	46852718	74.51
2.	Foreign		
	Individual	-	
	Sub-Total A	46852718	74.51
B	Public Shareholding		
1.	Institutions	-	
2.	Non Institutions		
	a. Bodies Corporate	5255877	8.36
	a. Indian Public and others	10771405	17.13
	Sub Total B	16027282	25.49
	Grand Total (A+B)	62880000	100

11. OTHER DISCLOSURES**A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

During the year under review, the Company had not entered in to any materially significant transaction with any related party. Remuneration paid to Mr. K.V.Rajasekhar Reddy, Managing Director of the company of Rs. 21,95,570 per annum respectively which is well within the limits of Section 197 read with Schedule V of Companies Act, 2013. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

B. COMPLIANCES:

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

C. WHISTLE BLOWER POLICY

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **The Board & Separate posts of Chairman and CEO:** The positions of the Chairman and the CEO are separate of the company.
- **Shareholders' rights:** The quarterly results along with the press release are uploaded on the website of the Company www.msrandia.in. The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.
- **Audit qualifications:** Company's financial statements are unqualified.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

E. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.

The company does not have any material' subsidiaries for the financial year 2015-16.

F. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's Website www.msrandia.in. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected

to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, Accordingly, the disclosure of Related. Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

H. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.

Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2015-16 as per Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MSR INDIA LTD is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2015-16.

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V.Rajasekhara Reddy
Managing Director
(DIN: 07120153)**

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
MSR India Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2016 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

**For and on behalf of the Board
MSR India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
K.V.Rajasekhar Reddy
Managing Director
(DIN: 07120153)**

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

a) Industry Structure, Development and Outlook

Dairy activities have traditionally been integral to India's rural economy. The country is the world's largest producer of dairy products and also their largest consumer. Almost its entire produce is consumed in the domestic market and the country is neither an importer nor an exporter, except in a marginal sense.

Despite being the world's largest producer, the dairy sector is by and large in the primitive stage of development and modernization. Though India may boast of one of the world's largest cattle population, the average output of an Indian cow is significantly lower compared to its American counterpart. Moreover, the sector is plagued with various other impediments like shortage of fodder, its poor quality, dismal transportation facilities and a poorly developed cold chain infrastructure. As a result, the supply side lacks in elasticity that is expected of it.

On the demand side, the situation is buoyant. With the sustained growth of the Indian economy and a consequent rise in the purchasing power during the last two decades, more and more people today are able to afford milk and various other dairy products. This trend is expected to continue with the sector experiencing a robust growth in demand in the short and medium run. If the impediments in the way of growth and development are left unaddressed, India is likely to face a serious supply – demand mismatch and it may gradually turn into a substantial importer of milk and milk products.

Fortunately, the government and other stakeholders seem to be alive to the situation and efforts to increase milk production have been intensified. Transformations in the sector are being induced by factors like newfound interest on the part of the organized sector, new markets, easy credit facilities, dairy friendly policies by the government, etc. Dairy farming is now evolving from just an agrarian way of life to a professionally managed industry – the Indian dairy industry. With these positive signals, there is hope that the sector may eventually march towards another white revolution.

b.) Opportunities and Threats.

- **Growing Demand**
- **Highly Unorganized Sector**
- **New Telangana Industrial Policy**
- **Local Manufacturers**
- **Pricing Wars**
- **Logistic costs**

c) Business performance and Segment Reporting

During the year under review, the Company has recorded revenue of Rs.17,709.53lakhs and made a net profit of Rs.98.29 lakhs against revenue of Rs. 8574.46lakhs and net profit of Rs. 53.63 lakhs in the previous financial year 2014-15.

The company is engaged in the business of Dairy products trading, which as per Accounting Standard 17 is considered the only reportable business.

d.) Outlook:

Presently the outlook is very encouraging.

e.) Risks and Concerns:

a) The product faces a tough competition from local manufacturers.

f) Internal Control System and its adequacy

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

g) Human resources and Industrial relations

Your company continues to have cordial relations with its employees.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

MSR INDIA Limited

We have examined the Compliance with conditions of Corporate Governance of M/s. MSR India Limited for the year ended 31st March, 2016 as stipulated in Regulation 34(3) read with Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the above mentioned Listing agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

Place: Hyderabad
Date: 29.08.2016

Sd/-
B.Vijay sai kumar
Proprietor
Mem.No.027813

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

**

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.

***** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.***

FORM MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To
The Members of
M/s. MSR India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. MSR India Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2015 and ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by MSR India Limited ("The Company") for the financial year ended on 31st March, 2016, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
 - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2015-16
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable. Except yearly and event based disclosures.**
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable.**
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable.**

- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable.**
- v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable.**
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **Not Applicable.**
- vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable.**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; The Company has framed code of conduct for regulating & reporting trading by Insiders and for fair disclosure, 2015 and displayed the same on company's Website i.e www.msrandia.com and all required disclosures from time to time as and when applicable are complied with.
- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
 - The Company has signed uniform listing agreement with BSE Limited:
 - The Company has framed the policies as mentioned below and displayed the same on the Company's website i.e www.msrandia.com
 - Board Diversity Policy
 - Policy on preservation of Documents
 - Risk Management Policy

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

- i. Secretarial Standards issued by the Institute of Company secretaries of India under the provisions of Companies Act, 2013 and
- ii. The Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

3. During the year the company has conducted 5 Board meetings, 4 Audit committee meetings and 1 Independent Directors Committee meeting. We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- ii. Listing Agreements (till November 30, 2015) entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (From December 01, 2015 to March 31, 2016)

4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;

OBSERVATIONS:

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that:

- (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under were not attracted to the Company during Financial year under report.
- (ii) External Commercial Borrowings were not attracted to the Company under the financial year under report;
- (iii) Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- (iv) Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (v) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

(a) We further report that:-

- i. The company has a company secretary namely Mr. T.Abhilash Rao and Chief financial officer namely Mr.M. Krishna Reddy.
- ii. The Company has the internal auditors namely M/s. Nirosha, Hyderabad

5. I have relied on the Management Representation made by the Whole-time Director for systems and mechanism formed by the Company to ensure the compliances under other applicable Acts, Laws and Regulations which are listed below:

- a. Labour laws and Incidental laws related to Labour and Employees appointed by the Company either on its payroll or on contractual basis as related to Wages ,Gratuity, Provident Fund , ESIC ,Compensation etc.,
- b. Acts prescribed under Prevention and Control of pollution
- c. Acts prescribed under Direct and Indirect taxes
- d. Labour welfare Act
- e. Clearance from Various Local Authorities.
- f. Trade Mark Act 1999

6. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:-

The Board of Directors of the Company is duly constituted with 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 under review were carried out in compliance with the provisions of the Act.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For S.S. Reddy & Associates

Sd/-

**S. Sarveswar Reddy
Practicing Company Secretaries
C. P. No: 7478**

**Place: Hyderabad
Date: 29.08.2016**

Annexure A

To
The Members of
M/s. MSR India Limited

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 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of 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.
5. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.S. Reddy & Associates

Place: Hyderabad
Date: 29.08.2016

Sd/-
S. Sarveswara Reddy
Practicing Company Secretaries
C.P.No: 7478

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L15122TG2002PLC039031
ii.	Registration Date	27/05/2002
iii.	Name of the Company	MSR INDIA LIMITED
iv.	Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company
v.	Address of the Registered office and contact details	MSR India Limited MSR Towers, 3rd Floor Road No.36, Jubilee hills, Hyderabad -500081.
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital And Corporate Investments Private Limited. 12-10-167, Bharat Nagar Hyderabad, 500018, Phone : +91 040-23818475/23818476/23868023 Fax : +91 040-23868024 Email : info@vccilindia.com

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	Dairy Products	9961122	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:—

S.No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

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

i) Category-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									
(1) Indian									
Individual/ HUF	46852718	-	46852718	74.51	46852718	-	46852718	74.51	--
Central Govt	--	--	--	--	--	--	--	--	--

State Govt (s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (1) :-	46852718	-	46852718	74.51	46852718	-	46852718	74.51	--
(2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	46852718	--	46852718	74.51	46852718	--	46852718	74.51	--
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
2. Non Institutions									
a) Bodies Corp.	1045849	5027000	6072849	9.66	2440085	2816000	5256085	8.36	-1.3
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share	426426	--	426426	0.68	643090	--	643090	1.02	0.34

capital up to Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6831231	2548000	9379231	14.92	3051816	2540000	5591816	8.90	-6.02
c) Others (specify)									
1. NRI	668	-	668	0.00	1420	-	1420	0.00	--
2. CLEARING MEMBERS	148108	-	148108	0.24	4534511	-	4534511	7.21	+6.97
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	8452282	7575000	16027282	25.49	10671282	5400000	16027282	25.49	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	--
Grand Total (A+B+C)	5530500	57349500	62880000	100	57524000	5356000	62880000	100	--

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	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	
1.	M. SRINIVASA REDDY	46852718	-	46852718	74.51	4685271	-	4685271	7.45	-67.06
2.	PADMAVATHI KAKUNURI .	--	-	-	-	18741087	-	18741087	29.80	29.80
3.	MORTALA DHEERAJ REDDY	--	-	-	-	7027907	-	7027907	11.17	11.17
4.	MORTHALA KANAKA VINDYA PRUDHVI REDDY	--	-	-	-	7027907	-	7027907	11.17	11.17
5.	K VIJAYALAKSH MI	--	-	-	-	4685274	-	4685274	7.45	7.45

6.	M MALLAREDDY	--	-	-	-	4685272	-	4685272	7.45	7.45
----	-----------------	----	---	---	---	---------	---	---------	------	------

#Shares were transferred from M. Srinivasa Reddy to other promoters through INTER-SE transfer.

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
1.	M. Srinivas Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	46852718	74.51	4685271	7.45
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer /bonus/sweat equity etc)				
	At the End of the year	--	--	--	--

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

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of The company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	JHP SECURITIES PVT.LTD.	-	-	3041500	4.83
2	KUSH JHANJARIA	-	-	1151000	1.83
3	JHP SECURITIES PVT.LTD.	-	-	1000000	1.60
4	KARVY STOCK BROKING LIMITED	1731	0	995086	1.59
5	KUSH JHANJARIA	-	-	894000	1.42
6	KOTHA MADHVI	710000	1.13	710000	1.13
7	A C FOODS AND TRADING PRIVATE LIMITED	420000	6.68	635353	1.01
8	K N R SHARES & SECURITIES PVT LTD	444000	0.70	444000	0.70
9	T V N R SECURITIES & HOLDINGS PVT LTD	444000	0.70	444000	0.70

10	C N FOODS PRIVATE LIMITED	426000	0.68	442518	0.70
	Date wise Increase /Decrease in Top ten share holders Holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer /bonus/ sweat equity etc): NIL				
	At the End of the year	--	--	--	---
(v) Shareholding of Directors and Key Managerial Personnel:					
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	K.V. Rajasekhar Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	541110	0.86	1110	0.00
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year			--	--
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2	Somala Koti Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year			--	--
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3	Gundala Raju	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year			----	-----
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4	Priyanka Palacharla	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of	278160	0.44	286745	0.45

	the year				
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year				

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	11.19	0	0	11.19
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	11.19	0	0	11.19
Change in Indebtedness during the financial year	1.23	0	0	1.23
Addition Reduction				
Net Change	1.23	0	0	1.23
Indebtedness at the end of the financial year				
i) Principal Amount ii)	0	0	0	0
Interest due but not paid iii)	12.42	0	0	12.42
Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	12.42	0	0	12.42

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sl. no.	Particulars of Remuneration	Name of MD/WTM/ Manager: K.V. RAJASEKHAR REDDY			Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Remuneration to managing Director 22,95,571/- Per Annum			Rs.22,95,571
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - Others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
6.	Total (A)	22,95,571	-	--	22,95,571
7.	Ceiling as per the Act	---	-	--	--

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
	3. Independent Directors · Fee for attending board / committee meetings ·	--	--	--	--	--

	Commission · Others, please specify					
	Total (1)	--	--	--	--	--
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · commission · Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	--	--	--	--	--
	Total Managerial Remuneration	--	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Abhilash T)	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	4,79,664	764750	12,44,414
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
6.	Total	NIL	4,79,664	764750	12,44,414

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors

M/s MSR India Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 28.05.2016

Place: Hyderabad

S/d-

**Mr.Koti Reddy Somala
(Independent director)**

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors
M/s MSR India Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 28.05.2016
Place: Hyderabad

S/d-
Mrs. Priyanka Palacharla
(Independent director)

ANNEXURE II**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors
M/s MSR India Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) The statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) The legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 28.05.2016
Place: Hyderabad

S/d-
Mr. Gundala Raju
(Independent director)

INDEPENDENT AUDITORS' REPORT

The Members

MSR India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of MSR INDIA 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 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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

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.

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.

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

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

On the basis of the written representations received from the Directors as on 31st March, 2016 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.

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'.

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:

The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

Place: Hyderabad
Date: 27.05.2016

Sd/-
B.Vijay sai kumar
Proprietor
Mem.No.027813

MSR INDIA LIMITED
MSR Towers, 3rd Floor, Road No. 36
Jubilee Hills, Hyderabad - 500 081
Balance Sheet As At 31st March, 2016

		Rs. In Lacs	
Particulars	Note No.	As At 31-Mar-16 (Audited)	As At 31-Mar-15 (Audited)
A EQUITY AND LIABILITIES:			
1 Shareholders Funds:			
(a) Share Capital	1	3,144.00	3,144.00
(b) Reserves and Surplus	2	41.40	36.95
		3,185.40	3,180.95
2 <u>Non-current liabilities</u>			
(a) Long-term borrowings	3	12.42	11.19
(b) Deferred tax liabilities (net)	4	3.24	3.24
		15.66	14.43
3 <u>Current Liabilities</u>			
(a) Short - term borrowings		-	-
(b) Trade payables	5	3,004.45	2,190.35
(c) Other current liabilities	6	25.34	18.19
(d) Short - term provisions	7	94.89	16.03
		3,124.67	2,224.58
TOTAL		6,325.73	5,419.95
B ASSETS:			
1 <u>Non - current assets</u>			
(a) Fixed assets			
(i) Tangible Assets	8	1,746.54	586.54
(b) Non Current Investments	9	1,152.60	1,250.10
(c) Long - term loans and advances	10	299.28	1,242.66
(d) Other - Non Current Assets	11	89.46	-
		3,287.88	3,079.30
2 <u>Current Assets</u>			
(a) Inventories	12	326.50	450.01
(b) Trade receivables	13	2,513.54	1,820.61
(c) Cash and Bank Balances	14	93.94	47.91
(d) Short - term loans and advances	15	99.24	8.06
(e) Other - current assets	16	4.63	14.07
		3,037.86	2,340.66
TOTAL		6,325.73	5,419.95

Notes:

- a) The above results were reviewed by Audit Committee and approved by Board of Directors in the meeting held on
 b) The above results have been reviewed by the Auditors as per clause 41 of the listing agreement.
 c) Figures of earlier years wherever necessary have been regrouped to conform to those of current periods.

Accompanying Notes form integral part of Accounts

Accompanying Notes form integral part of Accounts

In terms of our report attached

For M/s VIJAY SAI KUMAR & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Regn: 004694S

(B VIJAY SAI KUMAR)

PROPRIETOR

Membership No. 027813

Place : Hyderabad

Date : 27-05-2016

for and on behalf of the Board
 For MSR INDIA LIMITED

(K V RAJASEKHARA REDDY)
 MANAGING DIRECTOR

(G RAJU)
 DIRECTOR

M KRISHNA REDDY
 CHIEF FINANCE OFFICER

MSR INDIA LIMITED
MSR Towers, 3rd Floor, Road No. 36
Road No. 36, Jubilee Hills, Hyderabad - 500 081

Statement of Profit and Loss for the year ended 31st March 2016

Rs. in Lacs

Particulars		Note No.	Period Ended 31-Mar-16 Rs. (Audited)	Year Ended 31-Mar-15 Rs. (Audited)
A	<u>CONTINUING OPERATIONS</u>			
1	Revenue from operations			
	Sale of Products			
	Domestic Sales	17	17,695.06	8570.62
2	Other Income	18	14.47	3.84
3	Total Revenue (1+2)		17,709.53	8574.46
4	<u>Expenses</u>			
	(a) Cost of material consumed	19	16,321.40	8441.95
	(b) Direct Expenses	20	10.27	3.25
	(b) Employee Benefit Expenses	21	108.64	28.48
	(c) Finance Costs	22	1.69	1.83
	(d) Depreciation and amortization expenses	23	98.58	10.20
	(e) Other Expenses	24	1,070.66	35.12
	Total Expenses		17,611.24	8520.83
5	Profit / (Loss) before Exceptional and Extraordinary items and Tax -(4-5)		98.29	53.63
6	Exceptional items (Recovery of Bad Debts pertains to FY 2012-13)		-	(1079.09)
7	Profit / (Loss) before Extraordinary items and tax		98.29	1132.72
8	Extraordinary Items		-	0.00
9	Profit / (Loss) before tax (7 ± 8)		98.29	1132.72
10	Tax Expenses:			
	(a) Current tax		18.15	14.23
	(b) Deferred tax - Income		-	(1.53)
			18.15	12.70
11	Profit / (Loss) from continuing operations (9-10)		80.13	1120.02
	Less Dividend issued		62.88	0.00
			17.25	1120.02
	Less Dividend Distribution Tax payable		12.80	0.00
12	Profit / (Loss) from discontinuing Operations		4.45	1120.02
13	Tax Expense of discontinuing Operations		-	0.00
14	Profit / (Loss) from discontinuing operations (After Tax) (12-13)		4.45	1120.02
15	Profit / (Loss) for the year (11 +14)		4.45	1120.02
16	Earnings per Equity Share:	25		
	(a) Basic		0.13	1.78
	(b) Diluted		0.13	1.78
	Summary of Significant Accounting Policies	26		
<p>Accompanying Notes form integral part of Accounts In terms of our report attached For M/s VIJAY SAI KUMAR & ASSOCIATES CHARTERED ACCOUNTANTS Firm Regn: 0046945</p> <p style="text-align: right;">for and on behalf of the Board For MSR INDIA LIMITED</p> <p>(B VIJAY SAI KUMAR) PROPRIETOR Membership No. 027813 Place : Hyderabad Date : 27-05-2016</p> <p style="text-align: right;">(K V RAJASEKHARA REDDY) MANAGING DIRECTOR (G RAJU) DIRECTOR M KRISHNA REDDY CHIEF FINANCE OFFICER</p>				

MSR INDIA LIMITED
MSR Towers, 3rd Floor, Road No. 36
JubileeHills, Hyderabad - 500 081

Rs. in Lacs

Cash Flow Statement for the period ending 31st Mar 2016						
		For the year ended 31st March 2016		For the year ended 31st March 2015		
A	PARTICULARS					
	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit before tax as per Profit and Loss Account		98.29		1,132.72	
	Adjusted for:					
	Depreciation and Amortisation Expense	98.58		10.20		
	Provision for Doubtful Advances	0.00	98.58	0.00	10.20	
	Operating Profit before Working Capital Changes		196.87		1,142.92	
	Adjusted for:					
	Trade and Other Receivables	(692.93)		(711.98)		
	Inventories	123.50		0.50		
	Other Current Assets	9.44		182.24		
	Trade and Other Payables	814.10		763.74		
	Short Term Advances	(91.18)				
	Other Current Liabilities	7.15				
	Short Term Provisions	78.86				
	Net Working Capital		248.93		234.50	
	Increase /(Decrease) in Working Capital		445.80		1,377.42	
	Less Taxes Paid		(18.15)		14.23	
	Cash Generated from Operating Activities		427.64	0.00	1,391.65	
	B	Cash Flow from Investments				
(Increase) / Decrease in Fixed Assets - Purchase of New Assets		(139.30)		(3,365.29)		
(Increase) / Decrease in Investments - Fresh investments during the Year.		97.50		(34.06)		
(Increase)/ Decrease for advance for capital goods		943.38				
(Increase)/ Decrease on Long Term Borrowings		(43.73)				
	Net Cash Flow from Investment Activities		857.85		(3,399.34)	
C	Cash Flow form Financing Activities					
	Proceeds from New Share Capital	0.00		0.00		
	Proceeds from New Borrowings - Hire Purchase Loan	0.00		8.62		
	Net Cash Flows From Financing Activities		0.00		8.62	
	Net Cash flow during the year (A+B+C)		1,285.50		(1,999.07)	
	Cash and Cash Equivalents at the beginning of the period		47.91		140.11	
	Cash and Cash Equivalents at the end of the period		1,333.41		(1,858.97)	
	Cash and Cash Equivalents					
	(i) Cash on hand		2.50		0.24	
	(ii)Balances with banks					
	In current accounts		51.69		47.67	
	Fixed Deposits with Bank		39.76		0.00	
			93.94		47.91	
		Summary of Significant Accounting Policies Accompanying Notes form integral part of Accounts				
	For M/s VIJAY SAI KUMAR & ASSOCIATES CHARTERED ACCOUNTANTS Firm Regn: 004694S		for and on behalf of the Board For MSR INDIA LIMITED			
(B VIJAY SAI KUMAR) PROPRIETOR Membership No. 027813 Place : Hyderabad Date : 27-05-2016		(K V RAJASEKHARA REDDY) MANAGING DIRECTOR		(G RAJU) DIRECTOR		
		M KRISHNA REDDY CHIEF FINANCE OFFICER				

Note 1 - a - Share capital:

Particulars	Rs. In Lacs	
	AS AT	
	31-Mar-16	31-Mar-15
	Amount in Rs	Amount in Rs
(a) Authorised Share Capital	3,200.00	3,200.00
Equity shares of Rs.5/- each with voting rights		
(b) Issued & Subscribed Share Capital	3,144.00	3,144.00
Equity shares of Rs.5/- each with voting rights		
(c) Subscribed and Fully Paid up Share Capital	3,144.00	3,144.00
Equity shares of Rs.5/- each with voting rights		
TOTAL	3,144.00	3,144.00

Note 1 - b - Reconciliation of Equity Shares Outstanding at the beginning and end of the year:

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Year ended 31-03- 2015		
Number of shares (No.s)	628.80	628.80
Amount (Rs)	3,144.00	3,144.00
Period ended 31-03-2016		
Number of shares (No.s)	628.80	628.80
Amount (Rs)	3,144.00	3,144.00

Note -1 - c - Details of shareholders holding more than 5% Equity Shares in the Company:

Class of shares / Name of shareholder	AS AT		AS AT	
	31-Mar-16		31-Mar-15	
	No of shares	% held	No of shares	% held
Equity shares with voting rights				
Padmavathi Kakanuri	187.41	29.80%	0	0
M Kanaka Vindhya Prudhvi Reddy	70.28	11.18%	0	0
M Dheeraj Reddy	70.28	11.18%	0	0
K Vijayalakshmi	46.85	7.45%	0	0
M Malla Reddy	46.85	7.45%	0	0
M Srinivasa Reddy	46.85	7.45%	468.53	74.51

Note 2 - Reserves and Surplus

Particulars	Rs. In Lacs	
	As At 31-Mar-16	As At 31-Mar-15
(i) Securities Premium Account As per last Year Balance Sheet	4.37	4.37
Less: Deduction during the year- On Issue of Bonus Shares	-	-
Total	4.37	4.37
(ii) Surplus in Statement of Profit & Loss Account As per last Year Balance Sheet	32.58	(1,087.44)
Less Provision reversal pertains to FY 2012-13	-	-
	32.58	(1,087.44)
Add: Profit / (Loss) for the Year	4.45	1,120.02
Net Surplus	37.03	32.58
Total	41.40	36.95

Note 3- Long-term borrowings

Particulars	As At 31-Mar-16	As At 31-Mar-15
(i) Loans and Advances from Related Parties (Unsecured)		
a. From Related Parties	-	-
b. From Others	-	-
(ii) Other Loans and Advances:(secured)		
(a) Hire Purchase Loans (Secured by Hypothecation of Vehicle)	12.42	11.19
Total	12.42	11.19

Note 4 - Deferred tax Liability(net)

Particulars	As At 31-Mar-16	As At 31-Mar-15
i) Deferred Tax Liability on account of Depreciation	3.24	4.76
Less Current Year Timing Difference	-	1.53
Total	3.24	3.24

Note 5 - Trade Payables

Particulars	As At 31-Mar-16	As At 31-Mar-15
Trade Payables:		
Other than Acceptances	3,004	2,190
Total	3,004	2,190

Note 6 - Other current liabilities

Particulars	As At 31-Mar-16	As At 31-Mar-15
(i) Current maturities of long term borrowings	-	-
(ii) Other Payables		
Salaries Payable	11.50	2.09
ESI Payable	0.04	-
TDS Payables	4.88	1.02
Other Payables	8.94	15.08
Total	25.34	18.19

Note 7 - Short-term provisions

Particulars	As At 31-Mar-16	As At 31-Mar-15
Provision - Others:		
Income Tax (Net of TDS)	18.15	14.23
Dividend Payable	62.88	-
Dividend Distribution tax payable	12.80	-
Audit Fee Payable	1.05	1.80
Total	94.89	16.03

Note No - 8

MSR INDIA LIMITED
STATEMENT OF DEPRECIATION AS PER COMPANIES ACT

FIXED ASSETS:

PARTICULARS	Rate of Dep	GROSS BLOCK			Accumulated Depreciation and Impairment			Rs. in Lacs	
		As On 01-04-2015	Additions	As On 31-Mar-16	As On 01-04-2015	Depreciation for the Year	Impairment for the Year	As On 31-Mar-16	As On 31-03-2015
<u>Tangible Assets:</u>									
Land		404.91	139.30	544.21	-	-	-	544.21	404.91
Buildings		152.00	-	152.00	-	-	-	134.77	148.92
Lease Hold Improvements	9.50%	-	-	-	3.08	14.15	-	21.27	-
Buildings - Unit - II - Annexure - 2	9.50%	-	21.41	21.41	-	0.14	-	1,004.50	-
Plant and Machinery - Annexure - 1	18.10%	-	1,079.86	1,079.86	-	75.35	-	0.09	0.12
Furniture & Fixtures	25.89%	0.23	-	0.23	0.10	0.03	-	21.74	29.34
Vehicles	25.89%	41.91	-	41.91	12.57	7.60	-	1.30	-
Patents and Trademarks	25.00%	-	1.30	1.30	-	-	-	9.52	-
Maruti Ertiga Car	25.89%	-	9.71	9.71	-	0.19	-	0.31	0.58
Others		-	-	-	-	-	-	8.82	2.66
Computers	63.16%	17.35	0.09	17.44	16.76	0.37	-	-	-
Electrical Equipments	25.89%	4.00	6.91	10.91	1.34	0.75	-	-	-
		620.39	1,258.58	1,878.97	33.85	98.58	-	132.43	586.54
Previous Year (2014 - 2015)		57,068,212	4,970,300	62,038,512	2,364,774	1,019,983	-	3,384,757	54,703,438

Note 09 - Non Current Investments

Rs. in Lacs

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Investments	1,152.60	1,250.10
Total	1,152.60	1,250.10

Note 10 - Long-term loans and advances (Unsecured and considered good)

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
(a) Capital Advances		
(i) Advance Given for Acquisition of Capital Goods	93.25	1,043.64
(b) Security Deposits		
(i) Rental Deposits	194.00	187.00
(ii) Deposits with Department of Mines and Geology	12.02	12.02
Total	299.28	1,242.66

Note 11 - Other Non - Current Assets

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Pre-operative and Preliminary Expenses		
Opening Balance	-	-
Add: Additions	89.46	-
	89.46	-
Less: Expenses during the year.	-	-
Closing Balance	89.46	-

Note 12 - Inventories

(Valued at lower of Cost or Net Realisable Value)

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Stock in trade	326.50	450.01
Total	327	450

Note 13 - Trade Receivables

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Unsecured and Considered Good		
Exceeding Six Months	-	-
Others	2,513.54	1,820.61
Total	2,513.54	1,820.61

Note 14 - Cash and Bank Balance

Rs. in Lacs

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
(a) Cash and Cash Equivalents		
(i) Cash on hand	2.50	0.24
(ii) Balances with banks		
In current accounts	51.69	47.67
Fixed Deposits with Bank	39.76	-
Total	93.94	47.91

Note 15 - Short-term loans and advances

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
(a) Unsecured and considered good		
(i) Advance for Purchase of Raw Materials	99.24	-
(ii) Other Advances	-	8.06
Total	99.24	8.06

Note 16 - Other Current Assets

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
TDS Receivable	1.45	0.94
Prepaid Insurance	0.25	0.34
Input Tax Receivable	0.25	12.79
RG 23 Part II C - Capital Goods	2.68	-
Total	4.63	14.07

Note 17 - Sales

Rs. in Lacs

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Sales	17,695.06	8,570.62
	17,695.06	8,570.62

Note 18 - Other Income

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Rent Received	-	3.75
Interest Received	14.47	0.09
	14.47	3.84

Note 19 - Cost of materials consumed

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Opening stock	450.01	1.03
Add: Purchase of Materials	16,197.90	8,890.93
	16,647.91	8,891.96
Less: Closing stock	326.50	450.01
Total	16,321.40	8,441.95

Note 20 - Direct Expenses

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Electricity Charges	4.33	3.15
Excise Duty	0.84	-
Factory Rent	0.90	-
Repairs and Maintenance	4.20	0.10
INCREASE / DECREASE IN STOCK	10.27	3.25

Note 21 - Employee benefits expenses

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Salaries and Wages	107.78	28.33
ESI	0.09	-
Staff Welfare	0.77	0.14
Total	108.64	28.48

Note 22 - Finance Cost:

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Interest on Vehicle Loans	1.28	1.46
Bank Charges	0.41	0.37
Total	1.69	1.83

Note 23 - Depreciation and Amortisation expenses:

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Depreciation	98.58	10.20
Preliminary Expenses	-	-
Total	98.58	10.20

Note 24 - Other Expenses:**Note 24(a) - Administrative expenses**

Rs. in Lacs

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
AMC Charges	0.07	-
Audit Fees & Expenses	2.00	2.00
Books and Periodicals	0.01	0.07
Business Promotion	3.68	0.75
Computer Maintenance	0.29	-
Conveyance and Travelling	2.04	2.68
CST	13.78	-
Godown Rent	-	4.59
Insurance	0.83	0.33
Legal Expenses	0.89	-
Listing Fee	2.41	2.25
Office Maintenance	13.96	7.10
Office Rent	8.70	8.70
Postage and Courier	0.12	0.15
Printing and Stationery	1.27	0.86
Professional Fees	4.99	1.43
Rates and Taxes	1.00	0.28
Sundry Balances written off	-	(0.02)
Telephone Expenses	2.57	2.41
VAT	1,011.50	-
Vehicle Maintenance	0.55	1.55
Total	1,070.66	35.12

Note 25 : Exceptional Items

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Reversal of Bad debts provision	-	1,079.09
	-	1,079.09

Note 26 - Earnings Per Equity Share:

Particulars	AS AT 31-Mar-16	AS AT 31-Mar-15
Net Profit after tax as per statement of Profit and Loss Attributable to Equity Shareholders	80.13	1,120.02
Weighted Average number of Equity Shares used as denominator for calculating EPS	628.80	628.80
Face Value Per Share (')	5.00	5.00
Basic and Diluted Earnings Per Share (')	0.13	1.78

Note 26:

Related Party Disclosures:

List of Related Parties:

- i. Key Management Personnel : Mr. K V RAJASEKHAR REDDY, CHAIRMAN & MANAGING DIRECTOR.
- ii. Relative of Key Management Personnel :
- iii. Enterprises over which Key Management Personnel exercise Significant influence :

Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31-03-2016:

	For the year ended 31 st March 2016	For the year ended 31 st March 2015
i. Key Management Personnel Unsecured Loan Taken :	-	-
ii. Enterprises over which Key Management Personnel exercise Significant influence		
Farmax India Limited invested in Equity :	-	897.60

Note 27 :

The Company operates in one segment only. Hence the requirement of giving segmental information as per the accounting standards AS-17 Segmental Reporting is not applicable

Note 28:

The Management is of the opinion that as on the Balance Sheet date, there are no indications of a material impairment loss on Fixed Assets, hence the need to provide for impairment loss as per AS-28 "Impairment of Assets" does not arise.

Note 29:

Consumption of Materials, Spares Parts and Companies

IMPORTED

Particulars	Value	%
Materials	Nil	Nil
Spare Parts and Components	Nil	Nil
Total	Nil	Nil

INDIGENOUS

Particulars	As at	
	31-Mar-16	31-Mar-15
Materials	-	-
Total	-	-

Note 30

Purchases, Sales and Inventory details for trading activity

(Since item wise details were not maintained for the previous year the required details could not be provided)

Rs.in Lacs

Particulars	Purchases		Sales		Inventory	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Traded Goods	16,197.90	8,890.93	17,695.06	8,570.62	326.50	450.00

* Details of Purchases, Sales and Inventory of individual items are not available

Note 31:

Imports CIF Basis : Nil

Note 32:

Earnings and Expenditure in Foreign Exchange : Nil

Note 33:**Auditors Remuneration:**

Particulars	As at	
	31-Mar-16	31-Mar-15
Materials	2.00	2.00
Other Services	-	-
Total	2.00	2.00

Note 34:

Previous year's figures have been regrouped wherever necessary to confirm to the current years classification

For Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

Place: Hyderabad
Date: 27.05.2016

Sd/-
B.Vijay sai kumar
Proprietor
Mem.No.027813

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: L15122TG2002PLC039031
 Name of the company: MSR INDIA LIMITED
 Registered office: MSR Towers, 3rd Floor Road No.36, Jubileehills, Hyderabad, Telangana, 500081

Name of the member(s):
 Registered Address:
 E-mail Id:
 Folio No. /Client Id:
 DP ID:

I/We, being the member (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:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, 30th day of September, 2016 at 10.30 am at Plot No.D-16, Road No.73, Phase IV, Extn Jeedimetla Hyderabad 500055 and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2016.
2. Approval of Dividend.
3. Appointment of Mr. K.V. Rajasekhar Reddy as Director who retires by rotation.
4. Appointment of statutory auditors and fixation of their remuneration

Signed this Day of..... 2016

Signature of shareholder

Signature of Proxy holder(s)

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.

Affix
Revenue
Stamp

Form No. MGT-12
POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN : L15122TG2002PLC039031
 Name of the Company : MSR INDIA LIMITED
 Registered office : MSR Towers, 3rd Floor Road No.36,
 Jubilee hills, Hyderabad
 Telangana, 500081

BALLOT PAPER

Sl. No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Approval of financial statements for the year ended 31.03.2016.			
2.	Approval of Dividend			
3.	Appointment of Mr. K.V. Rajasekhar Reddy as Director who retires by rotation.			
4.	Appointment of statutory auditors and fixation of their remuneration			

PLACE:

(Signature of the Shareholder)

DATE:

MSR INDIA LIMITED

MSR Towers, 3rd Floor Road No.36,
Jubileehills, Hyderabad,
Telangana, 500081

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence for the 33rd Annual General Meeting of the members to be held on Friday, 30th day of September, 2016 at 10.30 a.m at MSR India Limited, Plot No. D-16, Road No.73, Phase IV Extn Jeedimetla, Hyderabad 500055. and at any adjourned meeting thereof.

Shareholders/Proxy's Signature_____

Shareholders/Proxy's full name_____

(In block letters)

Folio No. / Client ID_____

No. of shares held_____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.



MSR INDIA LIMITED

8-2-293/A/732A-1, Plot No-732, Jubilee Hills, Co - Operative House Building Society,
MSR Towers, 3rd Floor, Road No-36, Jubilee Hills, Hyderabad-500081.