



INDSIL HYDRO POWER AND MANGANESE LIMITED

Regd. Office :
"Indsil House",
T.V. Samy Road (West), R.S. Puram
Coimbatore - 641 002.
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CIN : L27101TZ1990PLC002849

23rd November, 2020

To,

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai -400 001.

Dear Sir /Madam,

Sub: Submission of Annual Report under Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref : Scrip Code 522165

Pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith Annual Report of the Company for the Financial Year 2019-20.

Kindly take the same on record.

Thanking You,

Yours truly

FOR INDSIL HYDRO POWER AND MANGANESE LIMITED

P. Krishnaveni

P.KRISHNAVENI
Company Secretary & Compliance Officer



Encl: as Above

Unit - I : **Factory** : VI - 679, Pallatheri, Elapully, PALAKKAD - 678 007, Kerala. Phone : (+91/0) (491) 2583501, 502, 503
Fax : (+91/0) (491) 25831267 E-mail : works@indsil.com

Unit II : **Factory** : Marakamudidam Mandal, GARBHAM - 535 102, Vizianagaram, Andhrapradesh. Phone : 08952 - 288555

Unit III : **Factory** : Plot No. : 114 - 125 & 128, Sector C, Urla Industrial Area, RAIPUR - 493 221, Chhattisgarh. Phone : (91/10)(771) 4033047

Indsil Hydro Power and Manganese Limited



**30th Annual Report
2019-20**

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**CORPORATE INFORMATION
BOARD OF DIRECTORS**

Sri B. Balchand (till 21st May, 2020)
Non – Executive Chairman

Sri S.N. Varadarajan (till 21st May, 2020)
Vice – Chairman

Sri Vinod Narsiman
Managing Director

Sri K. Ramakrishnan
Whole-Time Director

Sri S. Inderchand (till 21st May, 2020)

Smt D. Pushpa Varadarajan (till 21st May, 2020)

Dr A.K. Sreedharan (till 9th September, 2020)

Sri K. Annamalai

Sri V. Dharmaraj (till 21st May, 2020)

Smt R. Saroja (till 9th September, 2020)

Sri K.S. Mahadevan (till 21st May, 2020)

Sri S Varadarajan (w.e.f 21st May, 2020)

Sri S K Viswanathan (w.e.f 9th September, 2020)

Smt Manjusharma (w.e.f 9th September, 2020)

Sri S. Mahadevan

Company Secretary (till 25th June, 2020)

Smt P Krishnaveni

Company Secretary (w.e.f 9th September, 2020)

Sri R Murali

Chief Financial Officer

STATUTORY AUDITORS

M/s Raja & Raman
Chartered Accountants
Coimbatore

INTERNAL AUDITOR

Smt K.R. Divya
Chartered Accountant
Coimbatore

SECRETARIAL AUDITOR

MDS & Associates
Company Secretaries in Practice
Coimbatore

COST AUDITOR

Sri B. Venkateswar
Cost Accountant
Coimbatore

**REGISTRARS & SHARE TRANSFER
AGENTS (PHYSICAL & DEMAT)**

S.K.D.C Consultants Limited
“Kanapathy Towers”
3rd Floor, 1391/A-1
Sathy Road, Ganapathy
Coimbatore 641 006
Phone : 0422 4958995, 2539835/6
Email : info@skdc-consultants.com

BANKERS

State Bank of India
Karnataka Bank Limited
IDBI Bank Limited
Yes Bank Limited
RBL Bank Limited
Federal bank Limited

<p>REGD & CORPORATE OFFICE</p> <p>“Indsil House” T.V.Samy Road (West) R.S.Puram Coimbatore 641 002 Phone : 0422 4522922, 3 Email : indsilho@indsil.com CIN : L27101TZ1990PLC002849</p>	<p>WORKS SMELTER UNIT</p> <p>VI-679 Pallatheri, Elapully Palakkad 678 007, Kerala</p> <p>Unit II – Merakakudidam Mandalam Garbham – 535 102 Vizianagaram Dist (A.P)</p> <p>Unit III – Sector “C” Plot 114-122 Urla Industrial Area, Raipur 493 221 Chhattisgarh</p>	<p>RAJAKKAD HYDRO ELECTRIC POWER PLANT</p> <p>VIII/351 Rajakkad Idukki District 685 566 Kerala</p>
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Notice of the 30th Annual General Meeting

NOTICE is hereby given that the 30th Annual General Meeting (“AGM”) of the Shareholders of the Company will be held on Wednesday, the 16th day of December, 2020 at 11.00 AM (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business(es):-

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Annual Financial Statements including Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of changes in Equity for the Financial Year ended 31st March, 2020, the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditor’s thereon.
2. To confirm the payment of interim dividend of 5% already paid, as the final dividend on the 10% Cumulative Redeemable Preference Shares of Rs. 10/- each for the financial year ended 31st March, 2020.
3. To appoint a Director in the place of Sri. K Ramakrishnan (DIN:02797842) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2020-21

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Sri B Venkateswar, (Membership No: 27622), Cost Accountant, Coimbatore who was appointed as Cost Auditor of Company by the Board of Directors of the Company, on the recommendation of the Audit Committee, to conduct audit of the cost records of the Company for the financial year ending 31st March 2021 on a remuneration of Rs.20,000/- (Rupees Twenty Thousand Only) plus applicable taxes and re-imburement of travelling and out of pocket expenses incurred by him for the purpose of audit be and is hereby ratified and confirmed.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. APPOINTMENT OF SRI S VARADARAJAN AS A DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, Sri S Varadarajan (DIN : 08744090), who was appointed as an Additional Director of the Company by the Board of Directors, to hold office with effect from 21st May, 2020 and in respect of whom the Company has received a notice from a member signifying his intention to propose Sri S Varadarajan as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

6. APPOINTMENT OF SRI S K VISWANATHAN AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (as amended) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (Including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, and upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Sri S K Viswanathan (DIN:08850168) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 9th September, 2020 and who has given his consent for appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and

Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 1 year with effect from 9th September, 2020 and is not liable to retire by rotation."

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

7. APPOINTMENT OF SMT MANJUSHARMA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (as amended) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, and upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Smt Manjusharma (DIN:08855406) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 9th September, 2020 and who has given her consent for appointment as an Independent Director of the Company and has also submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 1 year with effect from 9th September, 2020 and is not liable to retire by rotation."

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

8. APPROVAL FOR PAYMENT OF REMUNERATION TO SRI VINOD NARSIMAN, MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment

thereof, for the time being in force) and the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the payment of remuneration to Sri Vinod Narsiman, Managing Director (DIN : 00035746) of the Company for the period from 1st June, 2021 till 5th November, 2022 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their respective meetings held on 11th November 2020:-

Terms of remuneration:

- i. Salary in the range of Rs. 1,80,000/- to Rs. 3,00,000/- per month during the currency of the tenure as may be decided by the Board of Directors from time to time.
- ii. Commission:
5% of the net profits in each year computed in accordance with Section 197 & 198 of the Companies Act, 2013.
- iii. Perquisites:
 - In addition to the salary and commission, Sri Vinod Narsiman, Managing Director shall also be entitled to interchangeable perquisites, like furnished accommodation and where accommodation is not provided HRA, gas, electricity, water furnishings, medical reimbursement, LTA for self and family, club fees, medical insurance, Personal Accident Insurance Premium etc., in accordance with the rules of the Company, such perquisites being restricted to the amount equal to the salary drawn per annum. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable.
 - The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 shall not be included in the computation of perquisites.
 - Gratuity payable shall not exceed half month's salary for each completed year of service. Sri Vinod Narsiman, Managing Director is also entitled to encashment of leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisites.
 - Sri Vinod Narsiman, Managing Director shall be entitled to reimbursement of all actual expenses incurred during the course of Company's business including on entertainment and travelling incurred in the course of Company business.



- The Company shall provide a car with driver and telephone facility at the residence of Sri Vinod Narsiman, Managing Director. Provision of a Company car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to Managing Director.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms of remuneration payable to Sri Vinod Narsiman, Managing Director, as it may deem fit, subject to the same not exceeding the limit as approved by the shareholders.”

“FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration and perquisites mentioned above shall be the minimum remuneration payable to Sri Vinod Narsiman, Managing Director.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and / or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

9. RE-APPOINTMENT OF SRI K RAMAKRISHNAN AS WHOLE TIME DIRECTOR OF THE COMPANY AND APPROVAL OF HIS REMUNERATION

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the re-appointment of Sri K Ramakrishnan (DIN:02797842)

as Whole-time Director of the Company for a further period of 3 years with effect from 1st June, 2021 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their respective meetings held on 11th November, 2020

Terms of re- appointment and remuneration:

- i. Salary of Rs. 70,000/- to Rs. 2,00,000/- per month (as may be decided by the Board of Directors from time to time).
- ii. Commission: Nil
- iii. Perquisites:
In addition to the salary, any other perquisites as may be allowed by the Board of Directors of the Company within the permissible limits. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable. Gratuity shall be paid as per rules of the Company.
- iv. During his tenure as Whole-time Director, he shall be liable to retire by rotation and the same shall not be treated as break in his service as Whole-time Director.

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the terms of re-appointment and/or remuneration payable to Sri K Ramakrishnan, Whole-time Director, as it may deem fit, subject to the same not exceeding the limit as approved by the shareholders.”

“FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration and perquisites mentioned above shall be the minimum remuneration payable to Sri K Ramakrishnan, Whole-time Director.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

10. ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder (including any statutory modifications(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded for the alteration of the Articles of Association of the Company by substituting the following new Clause 85 in the place of the existing Clause 85 of the Articles of Association as given under:

“85. The Board of Directors of the Company may, subject to the provisions of the Companies Act, 2013, or any modification thereof from time to time, appoint one or more of their body to the office of Chairman, Managing Director, Chairman cum Managing Director, Deputy Managing Director, Joint Managing Director or Whole Time Director for such period and on such terms as it thinks fit. The Independent Director(s) appointed pursuant to the provisions of Section 149 of the Companies Act, 2013 shall not while holding such office be subject to retirement by rotation at the Annual General Meeting(s). If the terms of their appointment so provide, the Chairman, Managing Director, Chairman cum Managing Director, Deputy Managing Director, Joint Managing Director or Whole-time Director shall be subject to retirement by rotation at the Annual General Meeting(s). The Board may entrust to and confer upon such Chairman, Managing Director, Chairman cum Managing Director, Deputy Managing Director, Joint Managing Director all or any of the powers exercisable by them with such restrictions as they think fit, either collaterally with or to the exclusion of their own powers and subject to their superintendence, control and direction. The remuneration payable to such persons shall be sanctioned by the Company in the General Meeting.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

11. SELL OR TRANSFER OR DISPOSE OFF UNIT II OF THE COMPANY SITUATED AT GARBHAM

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals as may be required and the provisions of the Memorandum and Articles of Association of the Company, the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, to sell/ transfer/ lease/ slump sale or otherwise dispose off part / whole of the undertakings of Unit II situated at Garbham, Andhra Pradesh together with all fixed assets at such price and on such terms and conditions as the Board of Directors may think proper and beneficial for the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to identify buyer(s), finalize terms and conditions for transfer of the undertaking, business, rights, assets and liabilities as aforesaid, the mode and structure of such transfer and its consideration, determine transfer date, and to do all such acts, deeds, matters and things including but not limited to, execution of all the necessary documents, agreements, deeds of assignment, conveyance and other documents and to do all acts, deeds, matters and things as may be deemed necessary or expedient in their discretion to give effect to the said resolution.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and / or Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”



12. APPROVAL FOR ENTERING INTO TRANSACTIONS WITH RELATED PARTIES OF THE COMPANY

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors to enter into contract and/or agreement and/or transactions with the following related parties of the Company on the terms and conditions as given hereunder:

S.No	Name of the Related Party	Nature of Transactions	Period of Transactions	Value of Transactions
1	M/s Al Tamman Indsil Mining LLC	Sale / Purchase of raw materials, semi-finished and finished goods.	1st April 2021 to 31st March 2026	Upto a maximum of Rs. 100 Crores
2	Sunmet Holdings India Private Limited	Sale and Purchase of Chrome Ore and other raw materials and finished goods.	1st April 2021 to 31st March 2026	Upto a maximum of Rs. 100 Crores
3	M/s Al Tamman Indsil Ferro Chrome LLC	Sale and Purchase of raw materials and finished goods.	1st April 2021 to 31st March 2026	Upto a maximum of Rs.100 Crores

“FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors and / or Company Secretary be and are hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and

to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

By order of the Board

Place : Coimbatore
Date : 11.11.2020

P KRISHNAVENI
Company Secretary
FCS No. 8988

Statement Under Section 102 of the Companies Act, 2013

ITEM NO. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Sri B Venkateswar (Membership No. 27622), Cost Accountant, Coimbatore, as the Cost Auditor of the Company for the financial year 2020-21 on a remuneration of Rs.20,000/- (exclusive of applicable taxes and reimbursement of travelling and out of pocket expenses incurred) for conducting the audit of the cost accounting records of the Company and for issuing an Audit Report on cost accounting records maintained by the Company.

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, requires the Board to appoint an individual, who is a Cost Accountant or a firm of Cost Accountants, as Cost Auditor of the Company on the recommendations of the Audit Committee, which shall also recommend the remuneration for such Cost Auditor and such remuneration shall be approved by the Board of Directors and ratified subsequently by the Shareholders at General Meeting.

Accordingly, consent of the Members is sought for passing an ordinary resolution as set out in Item No. 4 of the notice for ratification of the remuneration of the Cost Auditor for the financial year 2020-21.

The Board recommends the resolution set out in Item No. 4 of the Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee appointed Sri S Varadarajan as an Additional Director of the Company with effect from 21st May, 2020. In accordance with the provisions of Section 161(1) of the Companies Act, 2013, he holds office as Director of the Company up to the date of this Annual General Meeting.

Sri S Varadarajan is having enormous experience over a period of 30 years in the field of administration, insurance, accounts and similar related areas. His association with the Company as a Director will be beneficial to the Company.

Further, a notice has been received from a member signifying his intention to propose Sri S Varadarajan as a

candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Non-executive Director of the Company.

The brief bio-data of Sri S Varadarajan and other disclosures as per Secretarial Standards 2 are furnished and forms part of this Notice.

The Board recommends the resolution in relation to appointment of Sri S Varadarajan as a Non-Executive Non-Independent Director for the approval of the Members of the Company.

Except Sri S Varadarajan, being appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of the Notice.

ITEM NO. 6 & 7

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee has appointed Sri S K Viswanathan (DIN:08850168) & Smt Manjusharma (DIN:08855406) as Additional Directors of the Company with effect from 9th September, 2020 in terms of Section 161 of the Companies Act, 2013. Sri S K Viswanathan and Smt Manjusharma hold office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013. The Company has received notice in writing from a member under Section 160 of the Act, proposing their candidature for the office of Independent Directors of the Company.

Brief profile of Sri S K Viswanathan and Smt Manjusharma and their other directorships has been included in this Notice.

The Company has received a declaration from Sri S K Viswanathan & Smt Manjusharma stating that they meet with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, they fulfill the



conditions for appointment as an Independent Director and they are independent of the management.

The details of the Board and the Committee Meetings attended by Sri S K Viswanathan & Smt. Manjusharma have been given elsewhere in this annual report. Sri S K Viswanathan & Smt. Manjusharma will not be paid any remuneration other than sitting fee for attending meetings of the board and committees thereof of which he / she is a member/ chairperson.

A copy of the draft letter of appointment of Sri S K Viswanathan & Smt. Manjusharma setting out the terms and conditions of their appointment is available for inspection by the members at the registered office of the Company during the office hours on all working day other than on Sunday till the date of the Annual General Meeting.

The Board of Directors considers it in the interest of the Company to appoint Sri S K Viswanathan & Smt. Manjusharma as Independent Directors of the Company for a period of 1 year with effect from 9th September, 2020.

The Board recommends the resolutions set forth in Item No. 6 & 7 of the notice for approval of the members.

Except Sri S K Viswanathan & Smt. Manjusharma, being the appointee directors, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item No. 6 & 7 of the Notice.

ITEM NO. 8

The members of the Company at the 27th Annual General Meeting held on 21st December 2017 had approved the re-appointment of Sri. Vinod Narsiman as the Managing Director of the company for a period of 5 years with effect from 6th November 2017 and also approved the remuneration payable to him. Subsequently, the members at the 28th Annual General meeting held on 27th September 2018 revised the remuneration payable to Sri. Vinod Narsiman for a period of 3 years with effect from 1st June 2018.

Accordingly, the Board of Directors of the Company at their meeting held on 11th November 2020 have considering the roles and responsibilities shouldered by Sri Vinod Narsiman, approved the payment of remuneration for the remaining period of his tenure of appointment with effect from 1st June 2021 till 5th November 2022 as per the terms and conditions as set out in the resolution.

Pursuant to Section 178 of the Companies Act, 2013 & Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee & Audit

Committee at their Meetings held on 11th November, 2020 had recommended / approved the payment of the remuneration to Sri Vinod Narsiman. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013 and the Schedule and rules made there under.

Based on the recommendations as mentioned above, the Board of Directors of the Company at their meeting held on 11th November 2020 have approved the payment of remuneration to Sri Vinod Narsiman, Managing Director of the Company for the above said period on such terms and conditions as set out in the resolution.

Pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 the payment of remuneration to the Managing Director shall be subject to the approval of the shareholders of the Company in the General Meeting. Hence the necessary resolution has been set out in Item No. 8 of the Notice for the approval of the Members.

The Board recommends the resolution as set out in Item No. 8 of the Notice for the approval of the Members of the Company.

The details as required under Schedule V of the Companies Act, 2013 and brief bio-data of Sri Vinod Narsiman and other disclosures as per Secretarial Standards 2 are furnished and forms part of this Notice.

Except Sri Vinod Narsiman, Managing Director being the beneficiary, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No. 8.

ITEM NO. 9

Considering the contributions of Sri. K. Ramakrishnan (DIN: 02797842) during his tenure with the Company, the Board of Directors of the Company at their meeting held on 11th November 2020 have re-appointed him as Whole-time Director of the Company for a further period of 3 years with effect from 1st June 2021 on the remuneration and perquisites as set out in the resolution.

The Board members consider that his re-appointment as Whole-time Director of the Company would be greatly beneficial for future growth of the Company.

As per Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee at their meeting held on 11th November 2020 had, in the best interest and progress of the Company, proposed the re-appointment of Sri K Ramakrishnan as Whole-time Director for a period of

3 (three) years commencing from 1st June, 2021 and determined his remuneration as set out in the resolution and recommended the same to the Board. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013, the Schedule and Rules made thereunder.

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Audit Committee at the meeting held on 11th November 2020 had also approved the remuneration payable to Sri. K. Ramakrishnan as Whole-time Director of the Company for a period of 3 years, commencing from 1st June 2021 and recommended the same to the Board.

The Board recommends the Special Resolution set out in Item No. 9 of the Notice for the approval of the members.

The details as required under Schedule V of the Companies Act, 2013 and brief bio-data of Sri. K. Ramakrishnan and other disclosures as per Secretarial Standard 2 are furnished and forms a part of this notice.

Except Sri. K. Ramakrishnan, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out in Item No. 9 of the accompanying Notice to the AGM.

ITEM NO. 10

The shareholders of the Company, at their Annual General Meeting held on 21st December, 2017, had approved adoption of new sets of Articles of Association of the Company to align it with the provisions of the Companies Act, 2013 including rules framed thereunder.

The existing Clause 85 of the Articles of Association of the Company does not provide for the retirement by rotation of the executive directors of the Company. Accordingly, in order to enable the executive directors liable to retire by rotation at the Annual General Meeting, the Board of Directors of the Company have at their meeting held on 11th November 2020 approved the amendment to Clause 85 of the Articles of Association of the Company to provide for the retirement by rotation of the executive directors.

Pursuant to Section 14 of the Companies Act, 2013 any alteration of the Articles of Association of the Company requires the approval of the members by a Special Resolution.

The Board recommends the Special Resolution as set out in Item No. 10 of the Notice for approval of the Members.

A copy of the existing Articles of Association and the amended Articles of Association of the Company would be available for inspection at the Registered Office of the Company during business hours on any working day up to the date of ensuing Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution set out in Item No. 10 of the Notice.

ITEM NO. 11

The Company has been engaged in the production, marketing and distribution of Low Carbon Silico Manganese with facilities in Kerala, Andhra Pradesh and Chhattisgarh. The Board of Directors has carried out a comprehensive review of the businesses of the Company and come to the conclusion that the Company had to urgently rationalize its business operations. Due to its uneconomic size and limited potential for future growth, the Board of Directors has decided to dispose off Unit II of the Company situated at Garbham, Andhra Pradesh. The Company would be able to realize a fair value for the undertaking by disposing off the same and utilize the proceeds thereof more effectively in its business operations.

Pursuant to the provisions of Section 180 (1)(a) of the Companies Act, 2013 the approval of the Members is required to be obtained through a special resolution, for authorizing the Board of Directors to sell, transfer, slump sale or otherwise dispose off Unit II of the Company situated at Garbham, Andhra Pradesh.

Accordingly, necessary resolution pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 have been proposed in Item No. 11 of the Notice for the approval of the Members.

The Board is satisfied that it would be in the best interests of the Company, its shareholders and its employees, associates to sell / transfer / dispose off the said undertaking as referred to in the resolution.

The Board recommends the resolution set out in Item No. 11 of the Notice for the approval of the Members.



None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 11 of the Notice.

ITEM NO. 12

The Company has been entering into transactions with its related parties in the ordinary course of business and on an arms' length basis. The transactions entered into by the Company are purely as per the business requirements of the Company. The actual value of these transactions in a financial year may vary depending on business achieved by the Company and is directly proportional to the business.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies

(Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members by way of an ordinary resolution is required for entering into transactions with the related parties as mentioned in Item No. 12 of the Notice in excess of the limits laid down in the Companies Act, 2013 / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the above context, the necessary ordinary resolution is being proposed in Item No. 12 of the Notice for the approval of the Members.

The following are the details of the related party transaction(s) in accordance with Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014:

Name of the Related Party	M/s Al Tamman Indsil Mining LLC
Name of the Director/KMP who is related, if any	Sri Vinod Narsiman
Nature of Relationship	Subsidiary of M/s Al-Tamman Indsil Ferro Chrome LLC
Nature, Material Terms, Monetary Value Particulars of the Contract or Arrangement	Sale / Purchase of raw materials, semi-finished and finished goods up to a maximum of Rs. 100 Crores for the period from 1st April 2021 to 31st March, 2026
Any other information relevant or important for the Members to take decision on the proposed resolution	Nil

Name of the Related Party	M/s Sunmet Holdings India Private Limited
Name of the Director/KMP who is related, if any	Sri Vinod Narsiman
Nature of Relationship	Holding Company
Nature, Material Terms, Monetary Value Particulars of the Contract or Arrangement	Sale and Purchase of Chrome Ore and other raw materials and finished goods up to a maximum of Rs. 100 Crores for the period from 1 st April, 2021 to 31 st March, 2026
Any other information relevant or important for the Members to take decision on the proposed resolution	Nil

Name of the Related Party	M/s Al Tamman Indsil Ferro Chrome LLC
Name of the Director/KMP who is related, if any	Sri Vinod Narsiman
Nature of Relationship	Subsidiary Company
Nature, Material Terms, Monetary Value Particulars of the Contract or Arrangement	Sale and Purchase of raw materials and finished goods up to a maximum of Rs. 100 Crores for the period from 1st April 2021 to 31st March, 2026
Any other information relevant or important for the Members to take decision on the proposed resolution	Nil



The Board recommends the ordinary resolution as set out in Item No. 12 of the Notice for the approval of the Members who are not related party.

The Directors, Key Managerial Personnel(s) of the Company and their relatives as mentioned above are deemed to be interested or concerned in this resolution.

By order of the Board

Place : Coimbatore
Date : 11.11.2020

P KRISHNAVENI
Company Secretary
FCS No. 8988



STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Nature of Industry

Ferro alloy Industry/ Steel Industry

2. Date or expected date of commencement of commercial production

The Company was incorporated on 30th August 1990 and commenced commercial production during the year 1994.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators

Particulars	(in Rs.)	
	2019-20	2018-19
Sales & other income	135,14,14,502	236,06,19,361
Profit/ (Loss) before tax	(23,22,31,587)	2,76,63,519
Profit/ (Loss) after tax	(22,15,05,788)	4,32,967
Paid-up equity capital	42,79,11,220	42,76,97,140
Reserves and Surplus	106,66,29,368	130,36,22,289
Basic Earnings per share	(7.97)	0.02

5. Foreign Investments or collaborations, if any.

The Company has made investments and owns a 50% stake in M/s Al-Tamman Indsil Ferro Chrome LLC, a Subsidiary Company in the Sultanate of Oman.

The Company also has two Wholly Owned Subsidiaries called M/s Indsil Hydro Global (FZE) and M/s Indsil Energy Global (FZE) in the Sharjah Airport International Freezone (SAIF), United Arab Emirates

II. INFORMATION ABOUT THE DIRECTORS

S. No.	Particulars	Sri Vinod Narsiman	Sri K Ramakrishnan
1	Background details	He is a B.E., (Mechanical), MBA., (University of Michigan) graduate. Sri Vinod Narsiman is in the field since 1997.	He is an I.T.I (Industrial Institute Training) Graduate. He is also on the Board of other Companies such as Sun Metals and Alloys Private Limited. Sri K Ramakrishnan has good experience in the technical aspects of the factory equipments that are being utilized for the manufacture of Company products
2	Past Remuneration	The total remuneration paid for the Year 2019-20 is 22.47 Lakhs	The total remuneration paid for the Year 2019-20 is 10.24 Lakhs
3	Recognition or awards	Nil	Nil
4	Job Profile and his suitability	Having been associated with the Company for many years and in view of his qualifications and experience, he is well suited to the role of Managing Director of the Company.	Having been associated with the Company for many years and in view of his qualification and his experience, he is well suited to the role of Whole-Time Director of the Company
5	Remuneration proposed	Details of proposed remuneration have been disclosed in Item No. 8 of the Notice	Details of proposed remuneration have been disclosed in Item No. 9 of the Notice

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 with respect to the country of his origin)	Taking into consideration the size of the Company, profile of Sri Vinod Narsiman, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other Companies.	Taking into consideration the size of the Company, profile of Sri K Ramakrishnan responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other Companies.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration being received, the Managing Director does not have any pecuniary relationship with the Company. He is not related to any Directors or Key Managerial Personnel of the Company.	Besides the remuneration being received, the Whole-Time Director does not have any pecuniary relationship with the Company. He is not related to any Directors or Key Managerial Personnel of the Company.

II. OTHER INFORMATION

1. Reasons for loss or inadequate profits

The high cost of raw material, lower value realization for the company products have affected the Company's operating performance resulting in losses.

2. Steps taken or proposed to be taken for improvement.

The Company is making efforts to increase sales of the products, improve productivity and effect cost cutting measures.

3. Expected increase in productivity and profits in measurable terms.

The Company expects to see a growth in turnover ranging from 5% to 10% and proportionate increase in productivity resulting in reasonable profits as a result of these measures.

III. DISCLOSURES

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

(ii) Details of fixed component and performance linked incentives along with the performance criteria

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

(iii) Service contracts, notice period, severance fees

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report

By Order of the Board

P.Krishnaveni
Company Secretary
FCS No.8988

Place : Coimbatore
Date : 11.11.2020



Additional information on Directors recommended for appointment / re-appointment and payment of remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.

Name	Sri Vinod Narsiman	Sri K Ramakrishnan
DIN	00035746	02797842
Date of Birth / Nationality	27.03.1972 / Indian	21.03.1961 / Indian
Date of appointment on the Board	18.01.1997	01.06.2009
Interse relationship with other Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company
Qualification	B.E., MBA (University of Michigan)	I.T.I (Industrial Training Institute)
Experience / Expertise in functional areas	Sri Vinod Narsiman is the Managing Director of the Company and Director of Indsil Group of Companies. He is in the field since 1997.	Sri K Ramakrishnan has good experience in the technical aspects of the factory equipment that are being utilized for the manufacture of Company products.
No. of shares held	1,74,322 equity shares of Rs. 10/- each	2,800 equity shares of Rs. 10/- each
Board position held	Managing Director	Whole-time Director
Terms and conditions of appointment / re-appointment	Sri Vinod Narsiman was re-appointed as Managing Director of the Company at the 27 th Annual General Meeting of the Company held on 21 st December 2017 for a period of 5 years with effect from 6 th November, 2017. It has been proposed to obtain the approval of the members for payment of remuneration to Sri Vinod Narsiman is for the period from 1 st June 2021 till 5 th November 2022 as per the terms and conditions set out in Item No. 8 of the Notice.	As specified in Item No. 9 of the Notice.
Remuneration sought to be paid	As specified in Item No. 8 of the Notice.	As specified in Item No. 9 of the Notice.
Remuneration last drawn	The total remuneration paid for the year 2019-20 is Rs 22.47 Lakhs	The total remuneration paid for the year 2019-20 is Rs. 10.24 Lakhs.
Number of Board Meetings attended during the year	7	7
Directorships held in other Companies	Nil	Sun Metals and Alloys Pvt Ltd
Chairman / Members of the Committee of the Board of the other Companies in which he / she is a Director	Nil	Nil

Name	Sri S Varadarajan	Sri S K Viswanathan
DIN	08744090	08850168
Date of Birth / Nationality	22.02.1955 / Indian	30.06.1962 / Indian
Date of appointment on the Board	21.05.2020	09.09.2020
Interse relationship with other Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company
Qualification	M.Com.,	B.Com.,
Experience / Expertise in functional areas	Sri S Varadarajan has good experience in the field of administration, insurance, accounts and similar related areas	Sri S K Viswanathan had an illustrious and long career in Accounts, Purchase and Indirect Taxes during his 38 years service period. With rich experience in Textile, the Board of Directors are confident that the Company will be benefited in the long run.
No. of shares held	5,833 equity shares of Rs. 10/- each	Nil
Board position held	Director	Independent Director
Terms and conditions of appointment / re-appointment	Liable to retire by rotation	Details of terms and conditions of his appointment have been enumerated in his letter of appointment which has been posted on the website of the Company
Remuneration sought to be paid	Sitting Fees of Rs. 2,500/- per meeting and commission not exceeding 1% of net profits	Sitting Fees of Rs. 2,500/- per meeting and commission not exceeding 1% of net profits
Remuneration last drawn	Nil	Nil
Number of Board Meetings attended during the year	Not Applicable	Not Applicable
Directorships held in other Companies	Nil	Nil
Chairman / Members of the Committee of the Board of the other Companies in which he / she is a Director	Nil	Nil

Name	Smt Manjusharma
DIN	08855406
Date of Birth / Nationality	25.03.1963 / Indian
Date of appointment on the Board	09.09.2020
Interse relationship with other Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company
Qualification	SSLC
Experience / Expertise in functional areas	Smt Manjusharma is running a proprietor concern and has very good experience in cotton business
No. of shares held	Nil
Board position held	Independent Director
Terms and conditions of appointment / re-appointment	Details of terms and conditions of her the appointment have been enumerated in her letter of appointment which has been posted on the website of the Company
Remuneration sought to be paid	Sitting Fees of Rs. 2,500/- per meeting and Commission not exceeding 1% of net profits
Remuneration last drawn	Nil
Number of Board Meetings attended during the year	Not Applicable
Directorships held in other Companies	Nil
Chairman / Members of the Committee of the Board of the other Companies in which he / she is a Director	Nil

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular No. 20 dated 5th May, 2020 read with circular No. 14 dated 8th April, 2020 and circular No. 17 dated 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM Members desirous of participating in the meeting through VC / OAVM may refer to the procedures mentioned below.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to the Company at secretarial@indsil.com and to its RTA at info@skdc-consultants.com.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and share transfer books of the Company will remain closed from Thursday, the 10th December, 2020 to Wednesday, the 16th December, 2020 (both days inclusive) .
5. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC code, MICR code and place with PIN Code) to their respective Depository Participants and not to the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA. Regular updation of bank particulars is intended to prevent fraudulent encashment of dividend warrants.
6. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.
7. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April, 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders.
8. Change of Address: Members are requested to notify any change of Address and bank details to their Depository Participants ("DPs") in respect of the shares held in electronic form, to the Secretarial Department at the registered office of the Company or SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A- 1, Sathy Road, Ganapathy Coimbatore -641 006, the Registrars and Share Transfer Agents of the Company.
9. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:



- a) the change in the residential status on return to India for permanent settlement, or
 - b) the particulars of the NRE/NRO Account with Yes bank, if not furnished earlier.
10. Pursuant to the provisions of Section 72 of the Companies Act, members may file nomination forms in respect of their physical shareholdings. Any member willing to avail this facility may submit to the Company's Registrars & Share Transfer Agents in the prescribed statutory form. Should any assistance be desired, members should get in touch with the Company's Registrar and Share Transfer Agents.
 11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to the Registrar and Share Transfer Agent for consolidation into a single folio.
 12. Members are requested to forward their communication in connection with shares held by them directly to the Registrars and Share Transfer Agents of the Company M/s SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1 Sathy Road, Ganapathy, Coimbatore – 641 006.
 13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 14. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his / her queries to the Company seven working days prior to the meeting. The same will be replied by the Company suitably.
 15. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013; dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid dividend can be viewed on the Company's website www.lindsil.com. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Details of shareholders whose shares are liable to be transferred to IEPF are available at the Company

website: www.indsil.com. The shareholders whose unclaimed dividend /share has been transferred to the 'Investor Education and Protection Fund', may claim the same from IEPF authority by filing Form IEPF-5 along with requisite documents.

Smt P Krishnaveni is the Nodal Officer of the Company for the purpose of verification of such claims.

16. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority:
Pursuant to the provisions of Section 124(6) of the Act and Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("the IEPF Rules") and amendments thereto, the Company has transferred the shares in respect of Members who have not claimed/ encashed dividend for the last seen consecutive years to the Demat Account of the IEPF Authority of the Members whose shares have been transferred to the Demat Account, Account of the IEPF Authority are available at the Company's website at www.indsil.com.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report for the year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the physical copy of the Annual Report will not be sent.
18. Notice and Annual Report for the Financial year 2019-20 will also be available on the Company's website www.indsil.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of www.indsil.com. Members can attend and participate in the Annual General meeting through VC/ OAVM facility only.
19. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Members may note that M/s. Raja & Raman, Chartered Accountants, Coimbatore, (FRN: 003382S), the Statutory Auditors of the Company were appointed by the Shareholders at the 27th Annual General Meeting (AGM) held on 21st December, 2017, to hold office for a period of 5 years till the conclusion of the 32nd AGM, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May, 2018 has amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this 30th Annual General Meeting.



21. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or Registrar and Share Transfer Agents.
23. Brief resume, details of shareholding and Directors/KMP inter-se relationship with Director(s) seeking election/re-election/changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 are provided in this Notice.
24. The shareholders are advised to register / update their e-mail address with the Company / RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.
25. Annual Financial Statements and related details of the Wholly Owned Subsidiary Company are posted on the Company's website and is also kept for inspection at the Registered Office of the Company and at the Subsidiary Company. A copy of the same will be provided to the members on request.
26. Soft copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and the documents referred to in the Notice will be available for inspection by the Members during the AGM.

Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (as amended) (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by National Securities Depository Ltd ("NSDL") for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting, as given below, explain the process and manner for casting of vote(s) in a secure manner.

- i. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, ie., Wednesday, 9th December 2020, may refer to this Notice of the Annual General Meeting posted on Company's website www.indsil.com for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- ii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iii. The voting period begins on Sunday, the 13th December 2020 at 9.00 AM (IST) and ends on Tuesday, the 15th December, 2020 at 5.00 PM (IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 9th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.



How do I vote electronically using NSDL e-Voting System?

The way to vote electronically on NSDL e-Voting consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle is in active status.
3. Select "**EVEN**" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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 etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mds@mdsassociates.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@indsil.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@indsil.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.



3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the **EVEN** of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@indsil.com on or before 12.00 PM on Tuesday, 15th December 2020. The same will be replied by the Company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. 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 of Wednesday, 9th December 2020.
9. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.
10. The Company has appointed Sri M.D.Selvaraj, Company Secretaries in Practice, Coimbatore as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
11. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility
12. The scrutinizer shall after the conclusion of the annual general meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting 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 annual general meeting.
13. The results shall be declared within 2 days from the conclusion of the annual general meeting. The results declared along with the consolidated scrutinizer's report shall be placed on the Company's website www.indsil.com and on the website of NSDL and communicated to the stock exchange where the shares of the Company are listed.

DIRECTORS' REPORT TO SHAREHOLDERS

Dear Shareholders,

The Board of Directors of your Company are pleased to present the 30th Annual Report on the operations and business of the Company along with the Audited Financial Statements of the Company for the Year ended 31st March, 2020.

FINANCIAL RESULTS

The Standalone & Consolidated performance for the financial year ended 31st March, 2020 is as under:

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	Current Year 2019-20	Previous Year 2018-19	Current Year 2019-20	Previous Year 2018-19
Total Revenue	13,514	23,606	53,073	69,260
Operating Expenses	(15,157)	(22,630)	(56,576)	(64,246)
Profit before depreciation and tax	(1,643)	976	(3,503)	5,014
Depreciation	(679)	(699)	(2,924)	(2,995)
Profit before Tax	(2,322)	277	(6,427)	2,019
Provision for Tax	(107)	272	(107)	272
Net Profit after Tax	(2,215)	4	(6,320)	1,747

FINANCIAL PERFORMANCE

During the period under review, the Company has achieved on Standalone basis, revenue of Rs. 13,514 Lakhs and suffered a net loss of Rs. 2,215 Lakhs. During the same period, the Company, on Consolidated basis, has achieved revenue of Rs. 53,073 Lakhs and suffered a net loss of Rs. (6,320) Lakhs..

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2020.

STATE OF AFFAIRS

Operations

During the year under review, the Company has achieved a turnover of Rs. 12,769 Lakhs (2018-19 : Rs. 22,365 Lakhs) resulting in a loss before tax of Rs. (2,322) Lakhs.

During the year under review, the Company generated 37.90 million units of power as against 53.49 million units during the previous year.

FUTURE PROSPECTS

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

SCHEME OF AMALGAMATION

The National Company Law Tribunal, Chennai Bench has vide its order dated 7th August, 2019 & 13th August, 2019 sanctioned the Scheme of Amalgamation of M/s Sree Mahalakshmi Smelters Private Limited (the Wholly Owned Subsidiary) with the Company with effect from the appointed date of 1st April, 2018. The said order was filed with the Registrar of Companies, Coimbatore on 5th September,

2019 pursuant to which the Scheme has come into effect.

AL-TAMMAN INDSIL FERROCHROME LLC (ATIFC)

ATIFC has had a very challenging year on account of continuous depression in ferro chrome prices. This, according to experts, is mostly on account of weakening Chinese demand as a consequence of the US China trade war. Outlook for ferrochrome appears to be bleak in the near future. On the positive side, ATIFC commissioned a 25 MW Solar Power Plant in Joint Venture with SHELL PLC. This would help the Company mitigate, to an extent, risks from increases in power prices.

INDSIL HYDRO GLOBAL FZE & INDSIL ENERGY GLOBAL FZE, SHARJAH AIRPORT INTERNATIONAL FREEZONE (SAIF) – WHOLLY OWNED SUBSIDIARIES

Indsil Hydro Global (FZE), a Wholly Owned Subsidiary of the Company, has earned a profit of Rs. 183.63 Lakhs in the current reporting period as against a profit of Rs. 286.07 Lakhs during the previous reporting period. The operations of the Company are expected to improve further in the forthcoming reporting period.

Indsil Energy Global (FZE) has earned a profit of Rs. 55.01 Lakhs in the current reporting period as against a profit of Rs. 301.33 Lakhs during the previous reporting period.

TRANSFER TO RESERVES

The Company has not transferred any amount to its reserves during the year under review. However, the current year loss of Rs. 2,215 Lakhs has been adjusted under the head retained earnings.

DIVIDEND

The Board of Directors has not recommended any dividend on equity shares keeping in view the requirements of funds for future growth.

For the financial year 2019-20, the Board of Directors of the Company at their meeting held on 8th January, 2020 had declared a first interim dividend of Rs. 0.50 per share (5%) on the 10% Cumulative Redeemable Preference Shares of Rs. 10/- each. An amount of Rs. 75 Lakhs has been paid as interim dividend on 8th January, 2020. The Board of Directors have recommended that the interim dividend be considered as final dividend on preference shares for the financial year ended 31st March, 2020.

TRANSFER OF UNCLAIMED DIVIDEND / SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124 & 125 of the Companies Act, 2013, unclaimed / unpaid dividend relating to the financial year 2012-13 will be remitted on 20.01.2021 to the Investor Education and Protection Fund established by the Central Government.

Further, pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 12,746 Equity Shares of Rs. 10/- each on which dividend had remained unclaimed for a period of 7 (seven) years have been transferred to the credit of the demat account identified by the IEPF Authority during the year under review.

SHARE CAPITAL

The Issued, Subscribed and Paid-Up Share Capital of the Company as at 31st March, 2020 stood at Rs. 42,79,11,220/- consisting of 2,77,91,122 Equity Shares of Rs. 10/- each and Rs. 15,00,00,000/- divided into 1,50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each.

During the year under review, the Company has allotted 21,408 Equity Shares of Rs. 10/- each on 12th February 2020 pursuant to exercise of stock options granted to the employees of the Company under the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme 2018 (Indsil ESOS 2018).

EXTRACT OF ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in **Annexure 1** and is attached to this report. A copy of the Annual Return of the Company in prescribed format is available at the Company's website www.indsil.com.

BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

During the year under review, 7 (seven) Meetings of the Board of Directors, 5 (five) Meetings of the Audit Committee

3 (three) Meetings of the Nomination and Remuneration Committee, 6 (six) Meetings of the Stakeholders Relationship Committee and 4 (four) Meetings of the Corporate Social Responsibility Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meeting of the Board of Directors (SS-1) and General Meeting (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Board hereby confirms that-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departure from those standards;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 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 the Companies 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; and
- f) the Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143 (12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for fixing the remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and Employees of the Company. The Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure 2** and can also be accessed on the Company's website at the link <http://www.indsil.com/policies/>

COMMENTS ON AUDITOR'S REPORT

The Statutory Auditors have made the following qualification in their report:

"According to the information and explanations given to us, there are undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, and other material statutory dues were in arrears as at March 31, 2020. In this regard, we wish to state the Company will undertake to deposit the said dues on time. There are no qualifications, reservations or adverse remarks or disclaimers made by Sri.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Secretarial Auditors in their report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not granted any loan or given any security, pursuant to the provisions of Section 186 of the Companies Act, 2013. The details in respect of loans & investments made by the Company in the earlier year are disclosed in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions entered into by the Company with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2019-20 were in the ordinary course of business and on arms' length basis.

The particulars of contract and arrangement entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 which are material in nature are disclosed in **Annexure 3** (Form No. AOC-2) and forms part of this Report.

The policy on Related Party Transactions as approved by the Board of Directors of the Company has been uploaded on the Company's website and may be accessed through the link at <http://www.indsil.com/policies/>

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Due to outbreak of Covid-19 pandemic and based on the directives of the Government of India, the operations of the Company was suspended on 24th March, 2020 and resumed its operations in phased manner with minimal work force by following requisite precautions / guidelines. This has impacted the Turnover and Profitability of the Company.

Other than this there are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year as on 31st March, 2020 and the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 4** and is attached to this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The risk management and minimization procedure adopted and followed by the Company is adequate in relation to the nature and size of the business. The same is reviewed periodically for improvement.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors to undertake and administer Corporate Social Responsibility activities of the Company.

CSR Committee consists of:

- 1) Sri. S.Varadarajan as Chairman of the Committee
- 2) Sri Vinod Narsiman, and
- 3) Sri S K Viswanathan as Members of the Committee

The Company's CSR objective is promoting education, including special education and employment enhancing vocational skills to children, medical aid, health care, sanitation, drinking water, rural development, employment opportunities, old age homes, protection of natural resources, public libraries, human rights and such other initiatives prescribed under Schedule VII of the Companies Act, 2013. The Company has developed Corporate Social Responsibility Policy in line with the activities mentioned in Schedule VII of the Companies Act, 2013.

The prescribed amount of CSR expenditure could not be spent totally due to the Company not being able to identify suitable local area projects for CSR activities despite its constant efforts to identify suitable projects. Thus, there was a shortfall. The Company would continue its pursuit and strengthen the mechanism to execute all identified local area projects in future and adopt constant monitoring.

The Annual Report on CSR activities has been given in **Annexure 5**.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS AND COMMITTEES

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated the criteria for evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors and the Managing Director of the Board. Based on that, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors have evaluated the Independent Directors appointed and re-appointed during the year 2019-20 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Sri. K Ramakrishnan (DIN : 02797842) Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, appointed Sri S Varadarajan (DIN:08744090) as Additional Director of the Company with effect from 21st May, 2020 and he holds office upto the date of this Annual

General Meeting. Accordingly, necessary resolution proposing his appointment as a Director of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the Members. The Company has received a notice from a member under Section 160(1) of the Companies Act, 2013 signifying his intention to propose the candidature of Sri S Varadarajan for the office of Director of the Company.

The Board of Directors have re-appointed Sri K Ramakrishnan (DIN:02797842) as Whole-time Director of the Company for a period of 3 years with effect from 1st June 2021 on the terms and conditions as set out in the Notice convening the Annual General Meeting. Necessary resolution in this regard has been included in the Agenda of the Notice for the approval of the Members.

Sri S K Viswanathan (DIN : 08850168) and Smt Manjusharma (DIN : 08855406) were appointed as Additional Directors of the Company with effect from 9th September, 2020 and they hold office upto the date of this Annual General Meeting. Accordingly, necessary resolution proposing their appointment as an Independent Directors of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the Members.

Further, the Company has also received notice(s) under Section 160(1) of the Companies Act, 2013 signifying their intention to propose the candidature of Sri S K Viswanathan and Smt Manjusharma for the office of Independent Directors of the Company. The Company has also received declaration from the appointee Directors that they fulfil the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends their appointment / re-appointment.

The Members at the Annual General Meeting held on 26th December, 2019 had re-appointed Dr A K Sreedharan (DIN:00043167) as an Independent Director of the Company for a second term of 5 consecutive years with effect from 19th December, 2019.

Sri B Balchand (DIN:00035878), Sri S N Varadarajan (DIN:00035693), Sri S Inderchand (DIN:00035907), Smt D Pushpa Varadarajan (DIN:00035787), Sri V Dharmaraj (DIN:07944099) and Sri K S Mahadevan(DIN:00043314) resigned from the Board of Directors of the Company with effect from 21st May, 2020.

Further Dr A K Sreedharan (DIN:00043167) and Smt R Saroja (DIN:08134556) resigned from the Board of Directors of the Company with effect from 9th September, 2020. The Board wishes to place on record their sincere appreciation for the valuable contributions made by them during their tenure as Directors.

The Members of the Company at the 27th Annual General Meeting held on 21st December, 2017 had approved the re-appointment of Sri Vinod Narsiman as the Managing Director of the Company for a period of 5 years with effect from 6th November, 2017 and also approved the remuneration payable to him. Subsequently, the members at the 28th Annual General Meeting held on 27th September, 2018 revised the remuneration payable to Sri Vinod Narsiman for a period of 3 years with effect from 1st June, 2018.

Accordingly, the Board of Directors of the Company have approved the payment of remuneration for the remaining period of his tenure of appointment with effect from 1st June, 2021 till 5th November, 2022 as per the terms and conditions as set out in the Notice convening the Annual General Meeting. Necessary resolution in this regard has been included in the Agenda of the Notice for the approval of the Members.

Sri S Mahadevan, Company Secretary and Compliance Officer of the Company has resigned from the Company with effect from 25th June, 2020. Smt P Krishnaveni was appointed as Company Secretary and Compliance Officer of the Company with effect from 9th September, 2020.

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are Sri Vinod Narsiman, Managing Director, Smt P Krishnaveni, Company Secretary and Sri R Murali, Chief Financial Officer.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has two Wholly Owned Subsidiaries namely, M/s.Indsil Hydro Global (FZE), Sharjah Airport International Freezone (SAIF) and M/s Indsil Energy Global (FZE), Sharjah Airport International Freezone (SAIF).

Al-Tamman Indsil Ferro Chrome LLC has been considered as a Subsidiary for the purpose of consolidation in the Financial Statements. The Board has approved a policy for determining material subsidiaries which has been uploaded on the Company's website and can be accessed at the link <http://www.indsil.com/policies>

A report containing the salient features of the Subsidiaries and Joint Venture as required under Section 129(3) of the Companies Act, 2013 in Form AOC-1 is attached herewith as **Annexure 6** to this report.

The consolidated financial statements of the Company and its subsidiaries prepared in accordance with the applicable accounting standards have been annexed to the Annual Report.

The Annual Accounts of the Subsidiary Companies are posted on the website of the Company viz., www.indsil.com and will also be kept open for inspection by any shareholder at the Registered Office of the Company. The Company shall also provide copy of the Annual Accounts of Subsidiary Companies to the shareholders upon their request.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits covered under Chapter V of the Companies Act, 2013 and hence, there are no deposits remaining unclaimed or unpaid as on 31st March, 2020. Accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has put in place proper systems and procedures to detect and protect the Organizational resources both tangible and intangible. The Company has also put in place the following to ensure the adequacy of internal financial controls:

- the Company maintains all its records in ERP System and the workflow and approvals are routed through ERP;
- the Company has appointed Internal Auditors to check the Internal Controls and also check whether the workflow of the Organization is in accordance with the approved policies of the Company. In every quarter, during approval of Financial Statements, Internal Auditors will present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations; and

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

MAINTENANCE OF COST RECORDS AS MANDATED BY THE CENTRAL GOVERNMENT

Pursuant to the provisions of Section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records.



Accordingly, the Company has duly made and maintained the cost records as mandated by the Central Government.

AUDITORS

STATUTORY AUDITORS

M/s.Raja & Raman (Firm Registration No. 003382S), Chartered Accountants, Coimbatore were appointed as Statutory Auditors of the Company for a period of 5 (five) years at the 27th Annual General Meeting held on 21st December 2017 and they hold office till the conclusion of the 32nd Annual General Meeting of the Company. The Auditors' Report on the Standalone and Consolidated Financial Statements for the year ended 31st March, 2020 has been annexed to the financial statements. Pursuant to the amendment of Section 139 of the Companies Act, 2013 the Company is no longer required to seek the ratification of the appointment of the Auditor at every Annual General Meeting.

The Company has received a certificate from M/s Raja & Raman, Chartered Accountants confirming that they are not disqualified from continuing as Statutory Auditors of the Company.

COST AUDITOR

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with notifications/circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting held on 30th July, 2020, have appointed Sri. B.Venkateswar, (Membership No. 27622), Cost Accountant, Coimbatore as Cost Auditor of the Company for the financial year 2020-21. The remuneration payable to the Cost Auditor is subject to the ratification of the Members in General Meeting. The Board recommends their remuneration for Members ratification.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sri.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2019-20. The report of the Secretarial Auditor is annexed herewith as **Annexure 7** to this report.

INTERNAL AUDITOR

Ms.K.R.Divya (Membership No. 228896), Chartered Accountant, Coimbatore has been appointed as the Internal Auditor of the Company to undertake internal audit of the records of the Company.

PARTICULARS OF EMPLOYEES

The disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure 8**.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme 2018 (Indsil ESOS 2018). The Nomination and Remuneration Committee administers and monitors the Employees' Stock Option Scheme of the Company. The disclosure pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 is given in **Annexure 9** to this report. The Company has allotted 21,408 equity shares during the year under review, pursuant to exercise of stock options by the employees of the Company.

The Company has received a Certificate from the Statutory Auditors of the Company that the above referred Scheme had been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and the resolutions passed by the members in this regard.

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

The Company has been employing women employees in various cadres within the Office / factory premises. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint received from any employee during the financial year 2019-20 and hence no complaint is outstanding as on 31.03.2020 for redressal.

MANAGEMENT DISCUSSION AND ANALYSIS

The report on Management Discussion and Analysis is annexed herewith as **Annexure 10** to this report.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly refer to the Section on Corporate Governance, under the head 'Audit Committee' for matters relating to the composition, meetings and functions of the Committee. The Board has accepted all the recommendations of Audit Committee during the year whenever required and hence no disclosure as required under Section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by Board is necessary.

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has constituted a Vigil Mechanism as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted a formal mechanism to the Directors and employees to report about unethical behaviour, suspected fraud or violation of Code of Conduct and ethics. The Policy aims at conducting the affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The policy can be accessed on the Company's website at the link www.indsil.com/policies/.

CEO/CFO CERTIFICATION

As required under SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015, the Managing Director and the Chief Financial Officer have furnished necessary Certificate to the Board on the financial statements presented.

DEPRECIATION

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

INSURANCE

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

INDUSTRY SAFETY

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

ACKNOWLEDGEMENTS

Your Directors are extremely thankful to State Bank of India, IDBI Bank Limited, Yes Bank Limited, RBL Bank Limited, Karnataka Bank Limited and the Federal Bank Limited for their continued support.

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

For and on behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN : 02797842

Place : Coimbatore
Date : 11.11.2020

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
for the Financial Year ended 31st March, 2020**

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L27101TZ1990PLC002849
ii.	Registration Date	30.08.1990
iii.	Name of the Company	Indsil Hydro Power and Manganese Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Non-Government Company
v.	Address of the Registered Office and contact details	"Indsil House", Door No. 103-107 Thiruvencatasamy Road (West) R.S.Puram, Coimbatore 641 002 Ph : 0422 4522922/3 Email : indsilho@indsil.com Website : www.indsil.com
vi.	Whether listed Company	Yes
vii.	Name, Address and contact details of Registrar and Transfer Agents, if any	S.K.D.C Consultants Limited "Kanapathy Towers", 3rd Floor 1391/A-1 Sathy Road Ganapathy, Coimbatore 641 006 Ph : 0422 4958995, 2539835/6 Email : info@skdc-consultants.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	% of total turnover of the Company
1	Manufacturer of Ferro Alloys	7202	87.65
2	Generation of Electricity (Hydro Power)	Exemption	12.35

III. PARTICULARS OF HOLDING, SUBSIDIARIES & ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary	% of Shares Held	Applicable Section
1	Indsil Hydro Global (FZE) SAIF Lounge, P.O.Box 9049 Sharjah Airport International Freezone (SAIF), UAE	Not Applicable	Wholly Owned Subsidiary	100%	2(87)
2	Indsil Energy Global (FZE) SAIF Lounge, P.O.Box 9167 Sharjah Airport International Freezone (SAIF), UAE	Not Applicable	Wholly Owned Subsidiary	100%	2(87)
3	Al-Tamman Indsil Ferro Chrome LLC C.R.No. 1090488 Post Box No. 592 Al-Hamriya, Postal Code 131 Sultanate of Oman	Not Applicable	Subsidiary	50%	2(87)
4	Sunmet Holdings India Private Limited "Indsil House", Door No. 103-107 Thiruvencatasamy Road (West) R.S.Puram, Coimbatore 641 002	U27106TZ1980PTC010578	Holding	50.44%	2(46)

IV. SHAREHOLDING PATTERN : (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)
(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year as on 01.04.2019				No. of Shares held at the end of the year as on 31.03.2020				% of change during the year
	Demat	Physical	Total	% of Total Shares *	Demat	Physical	Total	% of Total Shares #	
(A) Promoters									
(1) Indian									
a) Individuals/ Hindu Undivided Family	1995196	-	1995196	7.185	1995196	-	1995196	7.179	-0.006
b) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	15634745	-	15634745	56.301	15634745	-	15634745	56.258	-0.043
d) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
e) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	17629941	-	17629941	63.486	17629941	-	17629941	63.437	-0.049
(2) Foreign									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter Group (A)=(A)(1)+(A)(2)	17629941	-	17629941	63.486	17629941	-	17629941	63.437	-0.049
(B) Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	-	2000	2000	0.007	-	-	-	-	-0.007
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	50000	-	50000	0.180	44258	-	44258	0.159	-0.021
f) Financial Institutions / Banks	-	-	-	-	148	-	148	0.001	0.001
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Providend Funds / Pension funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
(2) Central Government/ State Government(s)	1054166	-	1054166	3.796	1054166	-	1054166	3.793	-0.003
Sub-Total (B)(1)	1104166	2000	1106166	3.983	1098572	-	1098572	3.953	-0.030

Category of shareholders	No. of Shares held at the beginning of the year as on 01.04.2019				No. of Shares held at the end of the year as on 31.03.2020				% of change during the year
	Demat	Physical	Total	% of Total Shares *	Demat	Physical	Total	% of Total Shares #	
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	1762119	6164	1768283	6.368	1515512	5498	1521010	5.473	-0.895
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	2701822	325960	3027782	10.904	2811334	317779	3129113	11.259	0.355
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2684413	-	2684413	9.667	2856856	-	2856856	10.280	0.613
c) Others (specify)									
Directors & their Relatives	788856	-	788856	2.841	788856	1000	789856	2.842	0.001
Non Resident Indians	216067	60118	276185	0.994	165092	57818	222910	0.803	-0.191
Clearing Members	101917	-	101917	0.367	58571	-	58571	0.211	-0.156
Hindu Undivided Families	174243	-	174243	0.627	260450	-	260450	0.937	0.310
Inv.Education and Protection Fund Auth.	195895	-	195895	0.705	208541	-	208541	0.750	0.045
Unclaimed Share Suspense Account	16033	-	16033	0.058	15302	-	15302	0.055	-0.003
Sub-Total (B)(2)	8641365	392242	9033607	32.531	8680514	382095	9062609	32.610	0.079
Total Public Shareholding (B)= (B)(1)+(B)(2)	9745531	394242	10139773	36.514	9779086	382095	10161181	36.563	0.049
(C) Non Promoter Non Public - shareholding									
a) 1) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
a) 2) Employee Benefit Trust	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	27375472	394242	27769714	100.000	27409027	382095	27791122	100.000	-

Note: Consequent to the allotment of 21,408 Equity Shares, the number of Equity Shares issued, subscribed and fully paid –up stands increased from 2,77,69,714 to 2,77,91,122. Details of the allotment are provided in the Directors Report .

- Percentage calculated on pre – allotment outstanding quantity of fully paid up Equity Shares of 2, 77, 69,714 (in numbers) .
- # Percentage calculated on post – allotment outstanding quantity of fully paid up Equity Shares of 2,77,91,122(in numbers)

(ii) Share Holding of Promoters' Group

Sl. No	Shareholders Name	No. of Shares held at the beginning of the year as on 01.04.2019			No. of Shares held at the end of the year as on 31.03.2020			% of change during the year
		No. of shares	% of total shares of the Company *	% of Shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company #	% of Shares pledged / encumbered to total shares	
1	SUNMET HOLDINGS INDIA PRIVATE LIMITED	14003412	50.427	7.141	14017745	50.440	50.593	0.013
2	CROSIMN AGENCIES PRIVATE LIMITED	1617000	5.823	-	1617000	5.818	-	-0.005
3	S N VARADARAJAN \$	1101110	3.965	-	1101110	3.962	-	-0.003
4	D PUSHPA VARADARAJAN	530698	1.911	-	530698	1.910	-	-0.001
5	JAYASHREE VINOD	183630	0.661	-	183630	0.661	-	-
6	VINOD NARSIMAN \$	174322	0.628	-	174322	0.627	-	-0.001
7	RUDRA NARSIMAN	2718	0.010	-	2718	0.010	-	-
8	VISHWAA NARSIMAN	2718	0.010	-	2718	0.010	-	-
9	SNV HOLDINGS PRIVATE LIMITED	14333	0.052	-	-	-	-	-0.052
	TOTAL	17629941	63.487	5.672	17629941	63.438	40.227	-0.049

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

Note: Consequent to the allotment of 21,408 Equity Shares , the number of Equity Shares issued, subscribed and fully paid – up stands increased from 2,77,69,714 to 2,77,91, 122. Details of the allotment are provided in the Directors Report.

* Percentage calculated on pre – allotment outstanding quantity of fully paid up Equity Shares of 2 ,77,69,714(in numbers)

Percentage calculated on post – allotment outstanding quantity of fully paid up Equity Shares of 2,77,91,122 (in numbers)

Change in Promoters' Group Shareholding

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company *	No. of shares	% of total shares of the Company #
1	M/s Sunmet Holdings India Private Limited				
	At the beginning of the year	14003412	50.427	14003412	50.427
	Transfer of Shares as on 13.09.2019	14333	0.013	14017745	50.479
	At the end of the year	-	-	14017745	50.440
2	M/s Crosimn Agencies Private Limited				
	At the beginning of the year	1617000	5.823	1617000	5.823
	At the end of the year	-	-	1617000	5.818
3	Sri S N Varadarajan				
	At the beginning of the year	1101110	3.965	1101110	3.965
	At the end of the year	-	-	1101110	3.962
4	Smt D Pushpa Varadarajan				
	At the beginning of the year	530698	1.911	530698	1.911
	At the end of the year	-	-	530698	1.910
5	Sri Vinod Narsiman				
	At the beginning of the year	174322	0.628	174322	0.628
	At the end of the year	-	-	174322	0.627
6	M/s SNV Holdings Private Limited				
	At the beginning of the year	14333	0.052	14333	0.052
	Transfer of Shares as on 10.05.2019	-14333	-0.052	-	-
	At the end of the year	-	-	-	-

Note: Consequent to the allotment of 21,408 Equity Shares , the number of Equity Shares issued, subscribed and fully paid – up stands increased from 2,77,69,714 to 2,77,91, 122. Details of the allotment are provided in the Directors Report.

* Percentage calculated on pre – allotment outstanding quantity of fully paid up Equity Shares of 2 ,77,69,714(in numbers)

Percentage calculated on post – allotment outstanding quantity of fully paid up Equity Shares of 2,77,91,122 (in numbers)

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters/Promoters' Group and Holders of GDRs and ADRs):

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No.of shares	% of total shares of the Company
1	KERALA STATE INDUSTRIAL DEVELOPMENT CORP At the beginning of the year *	1054166	3.796	1054166	3.796
	Increase / Decrease in shareholding during the year*	-	-	-	-
	At the end of the year #	1054166	3.793	1054166	3.793
2	SRI KEDAR PROPERTIES PRIVATE LIMITED At the beginning of the year *	757731	2.729	757731	2.729
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #	757731	2.727	757731	2.727
3	ADESH VENTURES LLP At the beginning of the year *	451773	1.627	451773	1.627
	Increase / Decrease in shareholding during the year*	-	-	-	-
	At the end of the year #	451773	1.626	451773	1.626
4	ANIL KUMAR GOEL At the beginning of the year *	300000	1.080	300000	1.080
	Increase / Decrease in shareholding during the year*	-	-	-	-
	At the end of the year #	300000	1.079	300000	1.079
5	TRISHALA KUMARI** At the beginning of the year *	117892	0.425	117892	0.425
	Transfer of shares as on 05.04.2019 *	9000	0.032	126892	0.457
	Transfer of shares as on 03.05.2019 *	10000	0.036	136892	0.493
	Transfer of shares as on 17.05.2019 *	10000	0.036	146892	0.529
	Transfer of shares as on 28.06.2019 *	14500	0.052	161392	0.581
	Transfer of shares as on 12.07.2019 *	58500	0.211	219892	0.792
	Transfer of shares as on 19.07.2019 *	32000	0.115	251892	0.907
	At the end of the year #	251892	0.906	251892	0.906
6	PRASANNA KUMAR I At the beginning of the year *	233073	0.839	233073	0.839
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #	233073	0.839	233073	0.839
7	INVESTOR EDUCATION AND PROTECTION FUND** At the beginning of the year *	195895	0.705	195895	0.705
	Transfer of shares as on 02.08.2019 *	(100)	(0.000)	195795	0.705
	Transfer of shares as on 14.02.2020 *	11141	0.040	206936	0.745
	Transfer of shares as on 21.02.2020 *	1605	0.006	208541	0.750
	At the end of the year #	208541	0.750	208541	0.750
8	S SHARMILA At the beginning of the year	199211	0.717	199211	0.717
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	199211	0.717	199211	0.717
9	PAVAN KUMAR I At the beginning of the year *	169054	0.609	169054	0.609
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #	169054	0.608	169054	0.608
10	ADESH AGRICULTURE LLP At the beginning of the year *	148824	0.536	148824	0.536
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year#	148824	0.536	148824	0.536

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11	ROYCHAND CHENRAJ #				
	At the beginning of the year *	129728	0.467	129728	0.467
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #	129728	0.466	129728	0.466
12	ANU NARAYAN ##				
	At the beginning of the year *	127216	0.458	127216	0.458
	At the end of the year #	127216	0.458	127216	0.458

Note : ** Not in the list of Top 10 Shareholders as on 31.03.2019. The same is reflected above since the Shareholders were one of the Top 10 Shareholders as on 31.03.2020.

Ceased to be in the list of Top 10 Shareholders as on 31.03.2020 and the same is reflected above since the Shareholders were one of the Top 10 Shareholders as on 31.03.2019.

Note: Consequent to the allotment of 21,408 Equity Shares , the number of Equity Shares issued, subscribed and fully paid – up stands increased from 2,77,69,714 to 2,77,91, 122. Details of the allotment are provided in the Directors Report.

* Percentage calculated on pre – allotment outstanding quantity of fully paid up Equity Shares of 2 ,77,69,714(in numbers)

Percentage calculated on post – allotment outstanding quantity of fully paid up Equity Shares of 2,77,91,122 (in numbers)

(v) Shareholding of Directors and KMP

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	%	No. of shares	%
1	SRI S N VARADARAJAN \$				
	At the beginning of the year *	1101110	3.965	1101110	3.965
	Increase / Decrease in shareholding during the year *	-	-	1101110	3.965
	At the end of the year #			1101110	3.962
2	SMT D PUSHPA VARADARAJAN \$				
	At the beginning of the year *	530698	1.911	530698	1.911
	Increase / Decrease in shareholding during the year *	-	-	530698	1.911
	At the end of the year #			530698	1.910
3	SRI VINOD NARSIMAN			174322	0.627
	At the beginning of the year *	174322	0.628	174322	0.628
	Increase / Decrease in shareholding during the year *	-	-	174322	0.628
	At the end of the year #			0.628	0.627
4	SRI S INDER CHAND KOTHARI \$				
	At the beginning of the year *	207773	0.748	207773	0.748
	Increase / Decrease in shareholding during the year *	-	-	207773	0.748
	At the end of the year #			207773	0.748
5	SRI K S MAHADEVAN \$			124571	0.448
	At the beginning of the year *	124571	0.449	124571	0.449
	Increase / Decrease in shareholding during the year *	-	-	124571	0.449
	At the end of the year #			124571	0.448
6	SRI BALCHAND B (HUF) \$				
	At the beginning of the year *	33333	0.120	33333	0.120
	Increase / Decrease in shareholding during the year *	-	-	33333	0.120
	At the end of the year #			33333	0.120
7	SRI BALCHAND B \$				
	At the beginning of the year *	33333	0.120	33333	0.120
	Increase / Decrease in shareholding during the year *	-	-	33333	0.120
	At the end of the year #			33333	0.120

8	SRI K RAMAKRISHNAN				
	At the beginning of the year *	1800	0.006	1800	0.006
	Allotment of shares on 12.02.2020 #	1000	0.004	2800	0.010
	At the end of the year #			2800	0.010
9	SRI K ANNAMALAI				
	At the beginning of the year *	516	0.002	516	0.002
	Increase / Decrease in shareholding during the year *	-	-	516	0.002
	At the end of the year #			516	0.002
10	SRI V DHARMARAJ \$				
	At the beginning of the year *	-	-	-	-
	Increase / Decrease in shareholding during the year *			-	-
	At the end of the year #				
11	DR A K SREEDHARAN				
	At the beginning of the year *	-	-	-	-
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #				
12	SMT R SAROJA				
	At the beginning of the year *	-	-	-	-
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #			-	
13	SRI S VARADARAJAN #				
	At the beginning of the year *	5083	0.018	5083	0.018
	Allotment of shares on 12.02.2020 #	800	0.003	5833	0.021
	At the end of the year #			5833	0.021
14	SRI S K VISWANATHAN				
	At the beginning of the year *	-	-	-	-
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #			-	-
15	SMT MANJUSHARMA				
	At the beginning of the year *	-	-	-	-
	Increase / Decrease in shareholding during the year *	-	-	-	-
	At the end of the year #			-	-
16	SRI S MAHADEVAN**				
	At the beginning of the year *	32674	0.118	32674	0.118
	Allotment of shares on 12.02.2020 #	1500	0.005	34174	0.123
	At the end of the year #			34174	0.123
17	SRI R MURALI				
	At the beginning of the year *	500	0.002	500	0.002
	Allotment of shares on 12.02.2020 #	2500	0.009	3000	0.011
	At the end of the year #			3000	0.011
18	SMT P KRISHNAVENI ##				
	At the beginning of the year *	1	0	1	0
	Increase / Decrease in shareholding during the year *			1	0
	At the end of the year #			1	0

\$ Resigned on 21.05.2020
Appointed on 21.05.2020

** Resigned on 25.06.2020
Appointed on 09.09.2020

Note: Consequent to the allotment of 21,408 Equity Shares, the number of Equity Shares issued, subscribed and fully paid – up stands increased from 2,77,69,714 to 2,77,91,122. Details of the allotment are provided in the Directors Report.

- * Percentage calculated on pre – allotment outstanding quantity of fully paid up Equity Shares of 2,77,69,714 (in numbers)
- # Percentage calculated on post – allotment outstanding quantity of fully paid up Equity Shares of 2,77,91,122 (in numbers)

V. INDEBTEDNESS

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

Rs. in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	12,875.00	-	-	12,875.00
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	12,875.00	-	-	12,875.00
Change in Indebtedness during the Financial Year				
- Addition*	833.50	-	-	833.50
- Reduction	(530.00)	-	-	(530.00)
Net Change				
Indebtedness at the end of the Financial Year	303.50			303.50
i. Principal Amount	13,178.50	-	-	13,178.50
ii. Interest due but not paid	49.17	-	-	49.17
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	13,227.67			13,227.67

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Sri Vinod Narsiman Managing Director	Sri K Ramakrishnan Whole Time Director	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	21,60,000	9,73,806	31,33,806
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	43,200	18,720	61,920
	(c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- As % of profit	-	-	-
	- Others	-	-	-
5	Others			
	(i) Sitting fees	30,000	17,500	47,500
	(ii) Meeting Expenses	14,000	14,000	28,000
	Total (A)	22,47,200	10,24,026	32,71,226
		Ceiling as per Schedule V of Act		

B. Remuneration to other Directors:

Particulars	Name of Directors				Total Amount (in Rs.)	
	Dr. A K Sreedharan	Sri K Annamalai	Sri V Dharmaraj	Smt R Saroja		
* Fee for attending Board / Committee Meetings	30,000	17,500	30,000	12,500	90,000	
* Commission	-	-	-	-	-	
* Others, meeting expenses	24,500	14,000	14,000	10,000	62,500	
Total (1)	54,500	31,500	44,000	22,500	1,52,500	
Other Non-Executive Directors	Sri S N Varadarajan	Sri B. Balchand	Sri S. Inderchand	Smt D.Pushpa Varadarajan	Sri K.S.Mahadevan	
* Fee for attending Board / Committee Meetings	17,500	17,500	32,500	32,500	1,17,500	
* Commission	-	-	-	-	-	
* Others, specify Meeting expenses	14,000	14,000	26,000	26,000	1,04,500	
Total (2)	31,500	31,500	58,500	58,500	2,22,000	
Total (1 + 2)	86,000	63,000	1,02,500	81,000	3,74,500	
Total Managerial Remuneration	Commission not exceeding 1% of the net profit subject to ceiling of Rs. 6 Lakhs. Sitting fees not exceeding Rs. 1 Lakh per meeting					
Overall Ceiling as per the Act						

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (Rs. in Lakhs)
		Sri S.Mahadevan, Company Secretary*	Sri R.Murali Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	13.15	20.50	33.65
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2.76	0.16	2.92
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others	-	-	-
5	Others Please Specify			
	Total	15.91	20.66	36.57

* Resigned on 25.06.2020



VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL

A. Company

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

B. Directors

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

C. Other Officers in Default

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

For and on behalf of the Board

Place : Coimbatore
Date ; 11.11.2020

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-time Director
DIN : 02797842

NOMINATION & REMUNERATION POLICY

Indsil Hydro Power and Manganese Limited (the Company) believes that Human Resource asset is one of the vital factors and plays an important role in achieving the success and sustainability of an organization. The Company believes that committed work force is an invaluable asset for the Organization. Keeping these facts in view, the Nomination & Remuneration Policy was adopted by the Board of Directors. The Nomination & Remuneration Policy is mainly to attract competent talents and motivate them. It also maintains in retaining such talents in the competitive market. This inter-alia is a tool to achieve the Company's objectives for good Corporate Governance and sustained long term value creation for stakeholders.

Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, require the Company to formulate a policy relating to Nomination and Remuneration of Board of Directors, Senior Management and Key Managerial Personnel. This policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

DEFINITIONS

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"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 Financial Officer, and
- v) such other Officer as may be prescribed.

"Senior Managerial Personnel" or "Senior Management" means the officers / personnel of the Company who are members of its core management team excluding Board of Directors and comprises of all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager including Chief Executive Officer / Manager, in case they are not part of the Board, and includes Company Secretary, Chief Financial Officer and all functional heads.

All other words and expressions used but not defined in this policy, but defined in the the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

OBJECTIVE:

- a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) to recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

APPOINTMENT CRITERIA

The Committee identifies persons with rich experience and recommends to the Board for appointment of Directors, Key Managerial Personnel or Senior Management level. The Committee analyses the appointee with regard to his/ her skills, knowledge, experience in the required fields like finance, accounts, audit, law, management, sales, marketing, administration, research, corporate governance, technical operation and other disciplines related to the Company's business. The Committee has the discretion to decide on the age for the concerned positions depending upon the circumstances of each case.

ROLE OF COMMITTEE

The role of the Committee inter-alia is the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To operate and administer the Employee Stock Option Scheme as approved by the Board of Directors and shareholders in accordance with the regulations laid down.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his/her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution.

TERM / TENURE

a) Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time.

b) Independent Director

An Independent Director shall hold Office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold Office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed Companies as an Independent Director and three listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT PERSONNEL

- 1) Remuneration to Managing Director / Whole-time Director
 - a) The Remuneration Commission etc., to be paid to Managing Director / Whole-time Director etc., shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Shareholders of the Company, whenever necessary.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Director.
- 2) Remuneration to Non-Executive / Independent Directors
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of Clause (b) above if the following conditions are satisfied :
 - (i) The Services are rendered by such Director in his capacity as the Professional and
 - (ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- e) The Committee shall determine the Stock Options and other share-based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Committee shall determine the Stock Options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund etc., as decided from time to time.
- d) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may delegate any of its powers to one or more of its members.

Form No. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. **Details of contracts or arrangements or transactions not on arm's length basis** – Nil

2. Details of material contracts or arrangements or transactions at arm's length:

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangement or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advances, if any in `
Al-Tamman Indsil Mining LLC	Subsidiary of Al-Tamman Indsil Ferro Chrome LLC	Sale / Purchase of raw materials, semi-finished and finished goods	1st April, 2019 to 31st March, 2020	Sale / Purchase of raw materials, semi-finished and finished goods upto a maximum of Rs. 100 Crores per annum	11.02.2019	Nil
Sunmet Holdings India Private Limited	Holding Company	Sale and Purchase of Chrome Ore and other raw materials and finished goods	1st April, 2019 to 31st March, 2020	Sale and Purchase of Chrome Ore and other raw materials and finished goods upto a maximum of Rs. 67 Crores per annum	11.02.2019	Nil
Al – Tamman Indsil Ferro Chrome LLC	Subsidiary Company	Sale and Purchase of raw materials and finished goods	1st April, 2019 to 31st March, 2020	Sale and Purchase of raw materials and finished goods upto a maximum of Rs. 10 Crores per annum	11.02.2019	Nil

For and on behalf of the Board

Place : Coimbatore
Date ; 11.11.2020

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-time Director
DIN : 02797842

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

A. CONSERVATION OF ENERGY

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

B. TECHNOLOGY ABSORPTION

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

The expenditure incurred during the financial year ended 31st March, 2020 is Rs. 3.75 Lakhs.



• **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Rs. in Lakhs

Particulars	2019-20	2018-19
Earnings (Export)	1,480.61	3,471.29
Expenditure	17.38	7.82

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

For and on behalf of the Board

Place : Coimbatore
Date ; 11.11.2020

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-time Director
DIN : 02797842

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy :

The Company's CSR Policy has been uploaded in the website of the Company under the website : 'http://www.indsil.com/policies/'.

2. **Composition of CSR Committee:**

S.No.	Name	Role in the Committee
1	Sri S.Varadarajan	Chairman
2	Sri Vinod Narsiman	Member
3	Sri S K Viswanathan	Member

3. **Average Net Profit of the Company for the last three Financial Years**

Average net profit : Rs. 6,21,46,716/-

4. Prescribed CSR expenditure (2% of the Average Net Profit of the last three Financial Years)

The Company during the financial year 2019-20 is required to spend Rs. 12,42,934/- towards CSR.

5. Details of CSR spent during the Financial Year

- a. Total amount spent for the Financial Year : Rs. 4,00,000/-
 b. Amount unspent, if any : Rs. 8,42,934/-

Amount in Rs.

Manner in which the amount spent during the Financial Year is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the projects is covered	Projects / programmes 1. Local Area or other 2. specify, the State and the District where projects or programmes was undertaken	Amount outlay (budget) per project or programme-wise	Amount spent on the projects or programmes sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementation Agency
1	Socio-economic and educational activities to School Students	Health Care / Education	Elapully, Palakkad, Kerala	1,00,000	1,00,000	1,00,000	VSV Trust
2	Socio-economic and educational activities to School Students	Health Care / Education	Elapully, Palakkad, Kerala	1,00,000	1,00,000	1,00,000	VSV Trust
3	Socio-economic and educational activities to School Students	Health Care / Education	Elapully, Palakkad, Kerala	1,00,000	1,00,000	1,00,000	VSV Trust
4	Socio-economic and educational activities to School Students	Health Care	Elapully, Palakkad, Kerala	1,00,000	1,00,000	1,00,000	VSV Trust



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

The CSR Programmes undertaken by the Company are ongoing in nature. Considering that the CSR Programmes often extend beyond the financial year, amount committed to be spent in CSR has remained unspent as on 31st March, 2020. The Company will endeavour to spend the same during the financial year 2020-21. In case of unspent CSR amount, the Company is in the process of identifying new projects.

7. The CSR Committee hereby confirms that the implementation of CSR activities is in compliance with the CSR Objectives and CSR Policy of your Company.

For and on behalf of the Board

Place : Coimbatore
Date : 11.11.2020

S VARADARAJAN
Chairman of CSR Committee
DIN : 08744090

VINOD NARSIMAN
Managing Director
DIN : 00035746

FORM AOC-1

ANNEXURE-6

(Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiary Company / Associate Companies / Joint Venture

Part "A" Subsidiary Company

(Information in respect of each subsidiary is presented with amounts in `)

S. No	Name and place of the Subsidiary	Reporting period for the Subsidiary concerned, if different from the holding Company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Liabilities	Total Assets	Investments	Turnover & other income	Profit / Loss before Taxation	Provision for Tax	Profit / Loss after Taxation	Proposed Dividend	% of share holding
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1.	Indsil Hydro Global (FZE), Sharjah Airport International Free-zone (SAIF), UAE	May 2019 to April 2020	INR 20.45	2572500	7090965	8052724	17716189	-	20984633	18663512	-	18663512	12467000	100%
2.	Indsil Energy Global (FZE) Sharjah Airport International Free-zone SAIF, UAE	May 2019 to April 2020	INR 20.45	2572500	(6331521)	20985719	17226698	-	7355246	5501639	-	5501639	12467000	100%
3.	Al-Tamman Indsil Ferro Chrome LLC CR No. 1090488, POBox No. 592, Al-Hamriya Postal Code 131 Sultanate of Oman	January 2019 to December 2019	INR 185.38	753491711	(16565278)	4161020986	4501736338	19465226	3972872622	(417675879)	-	(417675879)	-	50%

Note 1) There are no Subsidiaries which are yet to commence operations or have been liquidated or sold during the year.



Part "B" Associate Companies / Joint Venture
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture

Name of Joint Venture	Latest audited Balance Sheet Date	Share of Joint Venture held by the Company on the year ended 31st March, 2020			Description of how there is significant influence	Reason why the Joint Venture is not consolidated	Net Worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the Year	
		No. of shares	Amount of Investment in Joint Venture (in `)	Extent of Holding %				Considered in Consolidation	Not considered in consolidation*
NIL									

* The Company does not have any Associate/Joint Ventures which are yet to commence operations or have been liquidated or sold during the year.

Place : Coimbatore
Date : 11.11.2020

For and on behalf of the Board

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
M/s Indsil Hydro Power and Manganese Limited
(CIN: L27101TZ1990PLC002849)
Indsil House, Door No:103-107,
T.V. Samy Road West,
R S Puram, Coimbatore – 641002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Indsil Hydro Power and Manganese Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. Indsil Hydro Power and Manganese Limited'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- iii) The Depositories Act, 1996 and the Regulations and bye- laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

- v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) 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;
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- vi) The following laws, as identified by the management, are specifically applicable to the industry to which the Company belongs,
 - a. Mines and Minerals (Development and Regulation) Act, 1957 & Andhra Pradesh Mineral Dealer Rules, 2000;
 - b. The Electricity Act, 2003 read with the Electricity Rules, 2005, Kerala State Electricity Regulatory Commission (Licensing) Regulations, 2006 & Kerala State Electricity Regulatory Commission (Conditions of License for State Transmission Utility) Regulations, 2005

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

- a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) (as amended);

- b) Listing Agreement entered into by the Company with the BSE Limited;

During the year under review the Company has complied with the provisions of the Acts, Rules, Regulations and Standards etc., mentioned above.

I further report that, during the year under review, there were no actions/ events in pursuance of the following Rules/ Regulations requiring compliance thereof by the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- d. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

I further report that I am unable to comment on the compliance with the labour and environmental laws applicable to the Company as I was unable to visit the factories situated in various parts of India due to the travel restrictions enforced by the Government of India due to the prevailing COVID- 19 pandemic. However, the Company has, in their quarterly compliance reports which has been taken on record by the Board of Directors, stated that they have complied with the labour and environmental laws applicable to them. However, we are unable to comment on the same.

I further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that, the compliance by the Company of the applicable accounting standards in the preparation of the financial statements has not been reviewed in this Audit since the same have been subject to review by statutory financial auditors.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. 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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period, the National Company Law Tribunal, Chennai Bench vide order dated 7th August 2019 & 13th August 2019 sanctioned the Scheme of Amalgamation of Sree Mahalakshmi Smelters Private Limited (the wholly owned subsidiary) with the Company with effect from the appointed date i.e 1st April 2018 pursuant to Sections 230 to 232 of the Companies Act, 2013. The said scheme was filed with the Registrar of Companies, Coimbatore on 5th September 2019 (Effective date) upon which the scheme came into effect.

I further report that during the audit period, the Company obtained the consent of the equity shareholders and preference shareholders for extension of the date of redemption of 1,50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each by a further period of 3 years with the option to redeem the Preference Shares at par at any time at the option of the Company before the due date of redemption.

I further report that during the audit period, the Company has obtained the approval of the members under Section 180(1)(a) of the Companies Act, 2013 at the Annual General Meeting held on 26th December 2019 to sell or dispose off “ Unit III’ of the Company situated at Raipur, Chhattisgarh.

I further report that during the audit period, the Company has allotted 21,408 equity shares of Rs. 10/- each on 12th February 2020 pursuant to the exercise of options under the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme, 2018 formulated pursuant to the provisions of SEBI(Share Based Employee Benefits) Regulations, 2014 and has obtained the requisite approvals of BSE Limited.

I further report that during the audit period, there were no instance of

- Public / Rights / Preferential issue of shares / debentures / sweat equity
- Redemption / buy – back of securities
- Foreign technical collaborations.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No : 960, CP No : 411
UDIN : F000960B001210432

Place : Coimbatore

Date : 11.11.2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To
The Members,
Indsil Hydro Power and Manganese Limited
(CIN: L27101TZ1990PLC002849)
Indsil House, Door No:103-107,
T.V.Samy Road West,
R S Puram, Coimbatore – 641002

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

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

Place: Coimbatore
Date: 11.11.2020

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411
UDIN: F000960B001210432

A. Disclosure under Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2020 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year ended March 31, 2020.

S. No	Director	Category	Remuneration Rs. In Lakhs	Median Remuneration	Ratio	% increase / decrease
1	Sri B.Balchand (upto 21.05.2020)	Non-Executive Chairman	-	-	-	-
2	Sri Vinod Narsiman	Managing Director	-	-	-	-
3	Sri S.N.Varadarajan (upto 21.05.2020)	Vice-Chairman	22,47,200	5.12		+9.7%
4	Sri S. Inderchand (upto 21.05.2020)	Non-Executive Non-Independent	-	-	-	-
5	Smt D.Pushpa Varadarajan (upto 21.05.2020)	Non-Executive Non-Independent	-	-	-	-
6	Sri K.S.Mahadevan (upto 21.05.2020)	Non-Executive Non-Independent	-	-	-	-
7	Dr. A.K.Sreedharan (upto 09.09.2020)	Non-Executive Independent	-	-	-	-
8	Sri K. Ramakrishnan	Whole-time Director	10,24,026	5.12	-	+4.7%
9	Sri K.Annamalai	Non-Executive Independent	-	-	-	-
10	Sri V.Dharmaraj (upto 21.05.2020)	Non-Executive Independent	-	-	-	-
11	Smt R.Saroja (upto 09.09.2020)	Non-Executive Independent	-	-	-	-
12	Sri S Varadarajan	Non-Executive Non-Independent	-	-	-	-
13	Sri S K Viswanathan	Non-Executive Independent	-	-	-	-
14	Smt Manjusharma	Non-Executive Independent	-	-	-	-
15	Sri S Mahadevan (upto 25.06.2020)	Company Secretary	15,91,000	-	-	-12.4
16	Sri R Murali	Chief Financial Officer	20,66,000	-	-	-
17	Smt P Krishnaveni (Appointed on 09.09.2020)	Company Secretary	-	-	-	-

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

2. **Percentage increase in the median remuneration of employees in the financial year : 5.62%.**
3. **Number of permanent employees on the rolls of Company as on 31st March, 2020 : 267**
4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**
- Average percentile increase in remuneration other than the managerial personnel is 5.62% and average percentile increase / decrease in remuneration for managerial personnel is NIL

5. **Affirmation that the remuneration is as per the Remuneration Policy of the Company.**

Your Director affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

(A) Details of Top 10 Employees in terms of gross remuneration paid during the year ended March 31, 2020.

PART A – Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No	Name of Employee	Designation	Remuneration	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment	% of Equity Shares held
1	Rishi Juneja	GM - Marketing (Sales)	28,88,220	MBA., (Finance & Marketing)	17	03.07.2017	43	Indian Metals and Ferro Alloys Limited	-
2	Vinod Narsiman	Managing Director	22,47,200	BE., MBA., (University of Michigan)	23	18.01.1997	49	NA	174322
3	R Murali	Chief Financial Officer	20,66,000	M.Com., BL., MBA.,	38	04.01.2013	59	Dangote, Nigeria	3000
4	Abhishek Thakur	AGM Marketing (Sales)	18,65,616	MBA Finance	13	22.11.2016	38	KTC Ferro Alloys Private Limited, Visakhapatnam	-
5	Mahadevan S	Company Secretary	15,91,000	B.Sc.,FCS.,	48	04.07.1999	69	Zen Global Resources & Energy Limited	34174
6	Joseph Amirdaraj G	General Manager (P&P)	12,14,472	B.Tech (Mech)	40	04.02.2008	58	Auto Print Machinery Manufacturers Private Limited	750
7	Kamala Kanta Sethi	AGM (Materials)	11,99,640	BE.,MBA (International Marketing)	26	16.03.2017	49	Quantum Mines & Minerals DMCC, Dubai	-
8	Praveen T V	Chief Manager (Production & Process)	11,12,268	Dip (Electronics & Communication)	25	25.07.2012	48	NA	1500
9	Sinha S K	Unit Head	10,58,340	Bachelor of Chemical Engg	35	22.11.2004	59	The Waxpol Industries Ltd, Pepocarbon & Chemicals Co, Birla Cements	1500
10	Prakash Cherussery	Chief Manager (Production)	10,32,000	B.Tech (Chemical Engineering) B.Sc., Chemistry Post Graduate in Computer Applications	23	21.12.2017	47	Matalloy Company Limited, Africa Rusmetali Limited, Georgia Mangan Maden Vic Tic, Turkey Jindal Stainless Limited, Indsil Energy and Electrochemicals Limited	1250

Note :

- All executives are on the permanent rolls of the Company.
- Sri Vinod Narsiman is the son of Sri S.N.Varadarajan and therefore as per the definition of 'Relative' under Section 2(77) of the Companies Act, 2013 no other employees mentioned above are related to any of the Directors of the Company.
- Remuneration includes salary, allowances, commission, contribution to Provident Fund, Gratuity Fund and other taxable perquisites paid during the year.

For and on behalf of the Board

Place : Coimbatore
Date : 11.11.2020

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-time Director
DIN : 02797842

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHAREBASED EMPLOYEE BENEFITS) REGULATIONS, 2014
1. Disclosure in terms of the ‘Guidance note on accounting for employee share-based payments’ issued by ICAI:

Disclosed in the notes to the financial statements which forms part of this Annual Report.

2. Material Changes in the Scheme:

No material changes have taken place in the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme, 2018 (Indsil ESOS 2018) during the year under review.

3. Diluted EPS on issue of shares pursuant to ESOS: Rs. (7.97)
4. Details related to Employee Stock Option Scheme (ESOS)

- i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -

S.No.	Particulars	Details
a.	Date of shareholders’ approval	27.09.2018
b.	Total number of options approved under ESOS	10,00,000
c.	Vesting requirements	Options granted under Indsil ESOS 2018 would vest not less than one year from the date of grant of such options. Vesting of options would be a function of continued employment with the Company and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated on grant of options. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the letter of grant given to the option grantee at the time of grant of options.
d.	Exercise price or pricing formula	The exercise price shall be as decided by the Nomination and Remuneration Committee subject to a minimum of the face value per share per option
e.	Maximum term of options granted	The options shall vest not less than one year from the date of grant and not more than 4 years as specified in the Letter of grant given to the option grantees
f.	Source of shares	Primary
g.	Variation in terms of options	No variation

- i. Method used to account for ESOS : Fair Value Method
- ii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the

options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.

Not applicable as the Company has adopted fair value method of accounting for options issued under ESOS.

- iv. Option movement during the year :

Particulars	Details
Number of options outstanding at the beginning of the period	26,408
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	5000
Number of options vested during the year	21,408
Number of options exercised during the year	21,408

Particulars	Details
Number of shares arising as a result of exercise of options	21,408
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	2,14,080
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	Nil

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock

Weighted-average exercise price of option: Rs.10/- each

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-

a. Senior Managerial Personnel

The Company has not granted any options to the employees during the year under review.

b. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year

The Company has not granted any options to the employees during the year under review.

c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:

The Company has not granted any options to the employees during the year under review.

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information

S.No.	Particulars	Details
a.	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Exercise price Rs. 10 per option
b.	the method used and the assumptions made to incorporate the effects of expected early exercise	It is assumed that the options will be exercised within the exercise period
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is based on historical prices for the period equivalent to the expected life of the option.
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other features incorporated

5. Details related to Trust**i. General information on all schemes**

The Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme, 2018, is directly administered by the Company and hence the disclosure of the details of Trust is not applicable.

i. Brief details of transactions in shares by the Trust

S.No.	Particulars	Details
a.	Number of shares held at the beginning of the year	Nil
b.	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	Nil
c.	Number of shares transferred to the employees / sold along with the purpose thereof	Nil
d.	Number of shares held at the end of the year	Nil

ii. In case of secondary acquisition of shares by the Trust : Not Applicable

For and on behalf of the Board

Place : Coimbatore
Date : 11.11.2020

VINOD NARSIMAN
Managing Director
DIN:00035746

K.RAMAKRISHNAN
Whole Time Director
DIN:02797842

MANAGEMENT DISCUSSION AND ANALYSIS

Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

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

Your Company on a standalone basis produces specialised varieties of Manganese Alloys, regular Manganese Alloys and Ferro Chrome.

ATIFC generated EBIDTA of USD (4,09,021) which amounted to (2.88) Crores during the year 2019. Also

Particulars	Ferro Alloy	Hydro Power	Thermal Power	Total
Production (MT) / (Units)	16904	37.90 Million Units	-	37.90 Million Units
Sales (MT) / (Units)	17099	37.90 Million Units	-	37.90 Million Units
Revenue in Rs. Lakhs	13341	1966	-	15307
PBDIT in Rs. Lakhs	(1737)	1509	-	(228)

Your Company earned EBITDA of Rs. (2.88) Crores on a Consolidated basis.

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

POWER DIVISION

As far as the Hydro Power Station is concerned, the power generation was 37.90 Million Units and as compared to the previous year 53.49 Million Units and as compared to average generation of 34.98 Million Units per year.

D. OUTLOOK

Over all, the industry scenario does not look very promising in the near term for both manganese and chrome alloys. If the global economy rebounds, post the challenging times of COVID-19, there is a chance that the industry scenario might improve. However, it is very difficult to make any predictions at this stage.

E. RISKS AND CONCERNS

While this topic has been addressed under the section of threats, a key concern for the Company apart from the industry scenario is that of very high interest costs.

your Company's standalone EBIDTA was Rs. 4.51 Crores during the year 2019-20. Top line on a consolidated basis was Rs. 531 Crores.

B. OPPORTUNITIES AND THREATS

The biggest threat for Chrome continues to be the headwind effects of the US-CHINA trade war that has consequently affected Chinese steel and Stainless steel manufacturing. As far as manganese alloys are concerned, lack of growth in demand coupled with over capacity in India has led to stagnancy across the range of the manganese alloys.

C. SEGMENT WISE PERFORMANCE SMELTER DIVISION

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

Interest costs are high mainly on account of high leverage that the Company had to undertake to fulfil its investments in Oman and Andhra Pradesh. The only solution for the Company is to now look at selling off non-operational assets as well as operational assets that are not contributing very well to the Company's profitability. Asset sales will definitely help the Company to bring down its leverage significantly and thereby interest costs to normal levels.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY
a) COST CONTROL

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

b) OPERATIONS

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

G. FUTURE PROSPECTS

Already explained under "Opportunities and Threats".

H. CAUTIONARY FORWARD-LOOKING STATEMENTS

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

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

I. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Rs. in Lakhs

Particulars	30th June, 2016 (9 months)	30th June, 2017	31 st March, 2018	31 st March, 2019	31 st March, 2020
I. OPERATING RESULTS:					
1. Sales	6,527	11,560	29258	22365	12768
2. Operating Profit (PBIDT)	1,165	1,395	3794	3113	(228)
3. Interest	381	726	1820	2138	2094
4. Depreciation	326	439	615	699	679
5. Taxes	60	(7.02)	177	272	(107)
6. Net Income (PAT)	399	236	1182	4	(2215)
7. Dividend Percentage	6%	8%	7%	-	-
Dividend Amount	95	127	194.38	-	-
Dividend Tax	-	-	-	-	-
8. Production					
Ferro Alloys (MT)	8,107	15,685	37421	25503	16904
Power (Lakh KWH)	269	118	549.30	534.90	379.00

Particulars	30th June, 2016 (9 months)	30th June, 2017	31 st March, 2018	31 st March, 2019	31 st March, 2020
II. PERFORMANCE PARAMETERS					
1. Share Capital	1,589	1,589	4,277	4,277	4279
2. Reserves & Surplus	8,230	8,339	16,270	13,036	10666
3. Secured Loans	3,503	2,844	13,685	12,875	13179
4. Deferred Liabilities	1,462	165.51	630	313	206
5. Fixed Assets (Gross Block)	9,620	9,813	18,644	20,954	21934
6. Accumulated Depreciation	(6,142)	(6,581)	(10,897)	(12,182)	(12205)
7. Investments	2,192	2,226	4,687	4,048	4044
8. Net Current Assets	5,494	5,975	10,509	5,643	1059

Particulars	30th June, 2016 (9 months)	30th June, 2017	31 st March, 2018	31 st March, 2019	31 st March, 2020
III. RATIOS					
1. Profit after tax / sales (%)	6.12	2.05	4.04	0.01	(17.35)
2. Return on Net Worth (%)	4.07	2.39	5.76	0.03	(79.70)
3. Earnings per Share (₹)	2.51	1.49	7.44	0.02	(7.97)
4. Cash Earnings per share (₹)	4.67	4.25	11.31	2.53	(5.53)
5. Debt Equity Ratio	0.31	0.29	0.67	0.65	0.88
6. Book Value Per Share (₹)	61.80	62.49	73.99	62.35	53.78

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

Number of people employed – 267

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

The HR policy has been designed so as to give thrust on a transparent and performance-driven work culture which ensures challenges and opportunities for the deserving.

The Company in fact, adopts intensive selection process to ensure that best talents with great attitude are recruited so that the culture of team work and dedication remain intact.

K. FINANCIAL RATIOS

The Key Financial ratios of the Company are given below with explanation in case of significant changes

Financial Ratio	FY 2019-20	FY 2018-19	% Change in FY 2019-20 compared to FY 2018-19	Reason for change
Debtors Turnover (Days)	23	42	(19)	The smelter division struggled for operating margins due to global recession coupled with stoppage of Unit III of the Company at Raipur
Inventory Turnover (Days)	430	244	167	
Interest Coverage (Days)	58	412	(354)	
Current Ratio	1.06	1.36	(0.3)	
Debt Equity Ratio	0.88	0.65	0.23	
Operating Profit Margin (%) (EBIDTA after OCI and exceptional item / Total Revenue)	3.53	0.13	3.4	
Net Profit Margin (%) (PAT after OCI / Total Revenue)	(17.39)	-	(17.39)	
Return on Net Worth (%) (PAT after OCI / Net Worth)	(79.88)	-	(79.88)	

For and on behalf of the Board

Place : Coimbatore
Date : 11.11.2020

VINOD NARSIMAN
Managing Director
DIN : 00035746

K RAMAKRISHNAN
Whole-time Director
DIN : 02797842

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2020 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

INDSIL is committed in maintaining the highest levels of Corporate Governance practices which are essential to the enhancement of the stakeholder value and for the success of the Company. Its Corporate Governance practices meet the regulatory requirements to ensure transparency and effective governance of the Company.

The Board of Directors of the Company review its corporate governance in the light of developing requirement in the field and as new provisions come into effect such provisions are complied with wherever appropriate.

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

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

BOARD OF DIRECTORS

(i) Composition, Category of Directors and Attendance at the meetings

The Board of Directors of the Company as on 31st March 2020 comprised of 11 directors. Sri. Vinod Narsiman, Managing Director and Sri K Ramakrishnan, Whole-time Director were the Executive Directors, and all others were Non-executive Directors (out of which 4 were Independent Directors). The Company had 2 Women directors as on 31st March 2020.

Presently, the Board of Directors of the Company consists of 6 Directors out of which one is a Woman Director. Sri Vinod Narsiman, Managing Director and Sri K Ramakrishnan are the Executive Directors, and all others are Non-Executive Directors (out of which 3 are Independent Directors).

The Board met 7 times during the financial year on 24th May 2019, 14th August 2019, 28th October 2019, 11th November 2019, 19th November 2019, 8th January 2020 and 12th February 2020.

The details of composition of Board, category of Directorship, attendance of directors at the meetings of the Board of Directors and the Annual General Meeting held during the year are given hereunder.

Name of the Directors	Category of Directorships	Attendance Particulars		No of Directorships in other Public Limited Companies*
		Board Meeting	Last AGM	
Sri S N Varadarajan (DIN: 00035693) (Resigned as Director on 21.05.2020)	Vice-Chairman/Promoter/ Non-Executive	7	Yes	-
Sri Vinod Narsiman (DIN:00035746)	Managing Director /Promoter	7	Yes	-
Smt D Pushpa Varadarajan (DIN: 00035787) (Resigned as Director on 21.05.2020)	Non-Executive /Non- Independent	7	No	-
Sri S Inderchand (DIN: 00035907) (Resigned as Director on 21.05.2020)	Non-Executive /Non- Independent	7	Yes	-
Sri B Balchand (DIN: 00035878) (Resigned as Director on 21.05.2020)	Non-Executive /Non- Independent	7	No	-
Sri K S Mahadevan (DIN: 00043314) (Resigned as Director on 21.05.2020)	Non-Executive /Non- Independent	7	Yes	-
Dr A K Sreedharan (DIN: 00043167) (Resigned as Independent Director on 09.09.2020)	Non-Executive /Independent	7	Yes	1
Sri K Ramakrishnan (DIN: 02797842)	Whole Time Director /Executive/Non-Independent	7	No	-
Sri K Annamalai (DIN: 00751334)	Non-Executive/Independent	7	Yes	-

Sri V Dharmaraj (DIN: 07944099) (Resigned as Director on 21.05.2020)	Non-Executive /Independent	7	Yes	-
Smt R Saroja (DIN: 08134556) (Resigned as Independent Director on 09.09.2020)	Non-Executive /Independent	5	No	-
Sri S Varadarajan (DIN: 08744090) (Appointed on 21.05.2020)	Non – Executive / Non-Independent	Nil	No	-
Sri S K Viswanathan (DIN: 08850168) (Appointed on 09.09.2020)	Non-Executive / Independent	Nil	No	-
Smt Manjusharma (DIN: 08855406) (Appointed on 09.09.2020)	Non-Executive / Independent	Nil	No	-

* Excludes Directorships in Foreign Companies & Private Companies

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

None of the Directors holds Directorship in more than 20 Companies (including limit of maximum Directorship in 10 Public Companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors holds Directorship in more than the maximum number of Directorship prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the Directors, none of the Directors serve as Member, Chairman of the Committee as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Other Directorships in listed entities:

None of the Directors hold directorship in any other listed entity.

(iii) Shareholding of Non – Executive Directors:

Statement showing number of Equity Shares held by the Non-Executive Directors as on 31st March, 2020 is as under

Name of the Director	No of Shares held as on 31.03.2020)
Sri S N Varadarajan	11,01,110
Smt D Pushpa Varadarajan	5,30,698
Sri S Inderchand	2,07,773
Sri B Balchand	66,666
Sri K S Mahadevan	1,24,571
Sri K Annamalai	516
Dr A K Sreedharan	Nil
Sri V Dharmaraj	Nil
Smt R Saroja	Nil

The Company has not issued any type of convertible instruments to Non-Executive Directors.

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non- Executive Independent Directors during the year.

(iv) Familiarization Programme for Independent Directors:

A Familiarization Programme was conducted by Sri Vinod Narsiman, Managing Director for the Independent Directors on 6th March, 2020 & presentation is made to the Directors on an annual basis / periodical basis, briefing them on the operations of the Company, plans, strategy, risk involved, new initiatives etc., and their opinions and suggestions are taken.

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

(v) Separate Meeting of the Independent Directors:

The Independent Directors held a meeting on 26th February, 2020, without the attendance of Non-Independent Directors and members of management. All the Independent Directors were present at the meeting.

The following matters were discussed in detail:

- i) Review of the performance of Non-Independent Directors and the Board as a whole:
- ii) Review of the performance of the Chairman of the Company, taking into account the views of Non-Executive Directors;
- iii) Assessment of 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.

(vi) Key Board Qualifications, expertise, competencies and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's Business Vertical(s) and sectors for functioning effectively and those already available with the Board are as follows:

S. No.	1	2	3	4	5
Skills/ Core Competencies	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making	Financial and Management skills	Technical / Professional skills and specialized knowledge in relation to Company's business
Sri S N Varadarajan	✓	✓	✓	✓	✓
Sri Vinod Narsiman	✓	✓	✓	✓	✓
Smt D Pushpa Varadarajan	✓	✓			
Sri S Inderchand	✓	✓	✓	✓	
Sri B Balchand	✓	✓	✓	✓	
Sri K S Mahadevan	✓	✓	✓	✓	
Dr A K Sreedharan	✓	✓			
Sri K Annamalai	✓	✓	✓	✓	
Sri V Dharmaraj	✓	✓	✓	✓	
Smt R Saroja	✓	✓	✓	✓	
Sri K Ramakrishnan	✓	✓	✓	✓	✓
Sri S Varadarajan	✓	✓	✓	✓	
Sri S K Viswanathan	✓	✓	✓	✓	
Smt Manjusharma		✓		✓	

(vii) Confirmation on the fulfilment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

(viii) Resignation of Independent Directors before expiry of tenure:

None of the Independent Directors have resigned from the Board of Directors before the expiry of their tenure during the financial year under review.

However, Sri V. Dharmaraj, Dr A K Sreedharan and Smt R Saroja have resigned before the expiry of their tenure due to personal commitments and health reasons on 21st May 2020 & 9th September 2020 respectively. Further, the said directors have confirmed to the Company that there are no other material reasons other than those provided by them and the same has been duly disclosed to the stock exchanges.

AUDIT COMMITTEE

(i) Brief Description and Terms of Reference

The Audit Committee comprises of two Non-Executive Independent Directors and one Executive Director and all the Members of the Committee possess knowledge in the fields of accounts, finance and allied areas.

The role, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions, and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors, Internal Auditor and Cost Auditor.

(ii) Composition of Committee, Meetings and attendance

During the year under review, the Committee met 5 (Five) times on 24th May 2019, 14th August 2019, 11th November 2019, 19th November 2019 and 12th February 2020.

The Composition of the Audit Committee and the attendance of each member of the Committee is given below.

Name of the Members	Category	No. of Meetings attended
Dr A K Sreedharan (Chairman) (Resigned on 09.09.2020)	Non-Executive Independent	5
Sri Vinod Narsiman (Member)	Executive Director Non-Independent	5
Sri V Dharmaraj (Member) (Resigned on 21.05.2020)	Non-Executive Independent	5
Sri K Annamalai (Chairman) (Appointed on 13.06.2020)	Non-Executive Independent	Nil
Sri S K Viswanathan (Member) (Appointed on 09.09.2020)	Non-Executive Independent	Nil

The Chairman of the Audit Committee had attended the Annual General Meeting.

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditor and Chief Financial Officer of the Company have also attended the Committee meetings as invitees. The minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of the same. The Audit Committee considered and reviewed the accounts for the financial year 2018-19, before it was placed in the Board.

NOMINATION AND REMUNERATION COMMITTEE

(i) Brief Description and Terms of Reference

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act 2013.

The role, powers and functions of the nomination and remuneration Committee are as per Section 178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Composition of the Committee, Meetings and attendance.

During the year under review, the Committee had met 3 (three) times on 23rd May 2019, 9th November 2019 and 12th February 2020.

The Composition of the Nomination and Remuneration Committee and the attendance of each member of the Committee is given below:

Name of the Members	Category	No. of Meetings attended
Dr A K Sreedharan (Chairman) (Resigned on 09.09.2020)	Non-Executive Independent	3
Sri B Balchand (Member) (Resigned on 21.05.2020)	Non-Executive Non-Independent	3
Sri V Dharmaraj (Member) (Resigned on 21.05.2020)	Non-Executive Independent	3
Sri S Varadarajan (Appointed on 13.06.2020)	Non-Executive Non-Independent	Nil
Sri K Annamalai (Chairman) (Appointed on 13.6.2020)	Non-Executive Independent	Nil
Sri S K Viswanathan (Appointed on 09.09.2020)	Non-Executive Independent	Nil

The Chairman of the Nomination and Remuneration Committee had attended the Annual General Meeting.

The Committee would basically look into and determine the Company's policy on remuneration packages of the Executive Directors and Senior Management.

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website at <http://www.indsil.com/policies/>

Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the committees of the Board. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance.

REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors for the year ended 31st March 2020 are as follows:

(i) Executive Directors

The Company's Board of Directors at present comprises of two executive directors. The remuneration of the executive directors is governed by a resolution which has been approved by the Board of Directors and the shareholders. The remuneration broadly comprises of fixed and variable components. The remuneration paid/ payable to managerial personnel during the year is given below:

Name of the Director and Designation	Service Contract	Salary	Perquisites and other benefits	Total remuneration
Sri Vinod Narsiman Managing Director	5 Years with effect from 06.11.2017	21,60,000	87,200	22,47,200
Sri K Ramakrishnan Whole-Time Director	3 Years with effect from 01.06.2018	9,73,806	50,220	10,24,026

The stock options granted are exercisable after a period of one year from the date of grant of options.

(ii) Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings. The details of sitting to the Directors for attending the Board and Committee meetings during the year ended 31st March 2020 are as under: (Amount in Rs.)

Name of the Director	Sitting Fees	Others (meeting expenses)	Total Amount
Sri S N Varadarajan	17500	14000	31500
Sri B Balchand	17500	14000	31500
Smt D Pushpa Varadarajan	32500	26000	58500
Sri S Inderchand	32500	26000	58500
Sri K S Mahadevan	17500	24500	42000
Dr A K Sreedharan	30000	24500	54500
Sri K Annamalai	17500	14000	31500
Sri V Dharmaraj	30000	14000	44000
Smt R Saroja	12500	10000	22500

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

- (i) The criteria of making payments to Non-Executive Directors is appearing on the website of the Company at <http://www.indsil.com>.
- (ii) The Company has in place an Employee Stock Option Scheme called "Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme 2018". The Company has allotted 21,408 equity shares during the year under review pursuant to exercise of stock options by the employees. No fresh stock options have been granted to the employees of the Company during the year under review. The Company has not granted any stock option to its non-executive directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

(i) Brief Description and Terms of Reference

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of this Committee are as required by SEBI under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. The committee also approved transfer, transmission, transposition, name deletion and issue of duplicate share certificates.

In addition, the Committee looks into other issues including status of dematerialization / re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

(ii) Composition of the Committee, Meetings and Attendance

During the year under review, the Committee met 6 (Six) times on 23rd May, 2019, 13th August, 2019, 11th November, 2019, 11th February, 2020, 19th February 2020 and 10th March 2020.

The composition of the Stakeholders Relationship Committee and the attendance of each member of the Committee is given below.

Name of the Member	Category	No. of Meetings Attended
Sri S Inderchand (Member) (Resigned on 21.05.2020)	Non-Executive Non-Independent	4
Smt D Pushpa Varadarajan (Member) (Resigned on 21.05.2020)	Non-Executive Non-Independent	4
Sri V Dharmaraj (Chairman) (Resigned on 21.05.2020)	Non – Executive Independent	4
Sri Vinod Narsiman (Member) (Appointed on 13.06.2020)	Executive Director –Non Independent	Nil
Sri S K Viswanathan (Chairman) (Appointed on 09.09.2020)	Non – Executive Independent	Nil
Smt Manjusharma (Member) (Appointed on 09.09.2020)	Non – Executive Independent	Nil

The Chairman of the Stakeholders Relationship Committee had attended the Annual General Meeting.

Sri S Mahadevan, Company Secretary of the Company was the Compliance Officer till he resigned on 25th June, 2020. Subsequently, Smt P.Krishnaveni was appointed as the Company Secretary & Compliance Officer of the Company with effect from 9th September 2020

The details of complaints received from the shareholders are as follows:

- a. Number of Shareholders complaints so far: Nil
- b. Number of Complaints not resolved to the satisfaction of the shareholders: Nil
- c. Number of pending complaints: Nil

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchange within stipulated time.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility Committee.

The terms of reference of this Committee as assigned by the Board encompasses the following:

- a. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- b. To recommend the amount of expenditure to be incurred on the activities referred to above;
- c. To monitor the CSR Policy of the Company from time to time.
- d. Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India.

During the year under review, the Committee had met 4 (four) times on 23rd May 2019, 13th August 2019, 9th November 2019 and 11th February 2020.

The Composition of the Corporate Social Responsibility Committee and attendance of each member of the Committee is given below:

Name of the Members	Category	No. of Meetings attended
Sri S N Varadarajan (Chairman) (Resigned on 21.05.2020)	Non-Executive Vice-Chairman - Promoter	4
Sri Vinod Narsiman (Member)	Managing Director - Promoter	4
Dr A K Sreedharan (Member) (Resigned on 09.09.2020)	Non-Executive Independent	4
Sri S Varadarajan (Chairman) (Appointed on 13.06.2020)	Non-Executive Non-Independent	Nil
Sri S K Viswanathan (Appointed on 09.09.2020)	Non-Executive Independent	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The contents of the Management Discussion and Analysis Report have been included in the Directors Report at the appropriate places and thus the said report forms part of the Annual Report.

GENERAL BODY MEETINGS

Location and time for last three AGMs held and the special resolutions, if any, passed thereat, are as given below:

Year	Date of Meeting	Time of Meeting	Venue of the Meeting	Special Resolutions Passed, if any
2018-19	26.12.2019	10.30 AM	"ARDRA", Kaanchan Building, No. 9 North Huzur Road, Coimbatore - 641018	<ol style="list-style-type: none"> 1) Continuation of the Directorship of Sri S N Varadarajan as a Non-Executive Director of the Company. 2) Continuation of the Directorship of Sri B Balchand as a Non-Executive Director of the Company. 3) Re-appointment of Dr A K Sreedharan as an independent Director of the Company. 4) Extension of the period of redemption of 10% Cumulative Redeemable Preference Shares of the Company. 5) Sell or transfer or dispose off Unit III of the Company situate at Raipur.
2017-18	27.09.2018	10.15 AM	"ARDRA", Kaanchan Building, No. 9 North Huzur Road, Coimbatore 641 018	<ol style="list-style-type: none"> 1) Continuation of the Directorship of Dr A K Sreedharan as an Independent Director of the Company. 2) Reclassification of the shareholding of the Promoter Group into Public Category. 3) Approval for Indsil Employee Stock Option Scheme 2018 (Indsil ESOS 2018) for the Employees of the Company. 4) Approval for Issue of Securities through Qualified Institutional Placement (QIP).
2016-17	21.12.2017	10.15 AM	The Indian Chamber of Commerce & Industry, Coimbatore, Chamber Towers, 8/732 Avinashi Road, Coimbatore - 641 018	<ol style="list-style-type: none"> 1) Approval for continuation of Office of Sri S N Varadarajan (DIN:00035693) as Executive Vice-Chairman and fixing of the remuneration. 2) Consent to the Board of Directors to lease or mortgage or to create charge on the Companies Properties / undertakings pursuant to Section 180(1)(a) of Companies Act, 2013. 3) Adoption of new set of Articles of Association of the Company 4) Issue of Securities to Qualified Institutional Placement (QIP) or Qualified Institutional Buyers (QIB) in terms of Chapter VIII of SEBI ICDR Regulations.

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

EGM AND POSTAL BALLOT

During the year, no Extra Ordinary General Meeting was held. No resolutions were put through postal ballot last year. No special resolution requiring postal ballot was proposed.

MEANS OF COMMUNICATION

The quarterly results and annual results are published in newspapers viz., "The Mint" in English and "Makkal Kural" in Tamil and simultaneously posted on the Company's website <http://www.indsil.com/financialinformation/>.

The copies of the results are forwarded to concerned Stock Exchange immediately after they are approved by the Board for publication in their website. The Company has a dedicated help desk with e-mail id : indsilho@indsil.com for providing necessary information to investors.

There were no specific presentations made to Institutional Investors or to the analysis during the year.

GENERAL SHAREHOLDER INFORMATION

30th Annual General Meeting

Date and Time : Wednesday, the 16th December, 2020 at 11.00 A.M.
 Venue : The meeting is being convened through video conferencing / other audio visual means and hence the registered office of the Company will be deemed to be the venue of the AGM.

FINANCIAL CALENDAR

Financial Year : 1st April, 2019 to 31st March, 2020

Date of Book Closure : 10th December, 2020 to 16th December, 2020 (both days inclusive)

Dividend Payment Date: Not Applicable, First Interim Dividend for the Financial year 2019-20 was paid on 08.01.2020.

Listing of shares on Stock Exchange

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001

Annual Listing Fees for the year 2019-20 was paid to BSE Limited.

STOCK MARKET DATA

Type of Security : Equity

Stock Code:

BSE Limited : 522165

ISIN Number allotted for equity shares: INE867D01018 (Fully paid Rs. 10/- each)

Stock Price Data and comparison with BSE Sensex

For the period: April, 2019 to March, 2020

Month & Year	Company Share Price		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2019	66.00	56.50	39,487.45	38,460.25
May, 2019	61.00	53.00	40,214.96	36,956.10
June, 2019	55.00	35.55	40,312.07	38,870.96
July, 2019	37.80	25.50	40,032.41	37,128.26
August, 2019	32.00	22.00	37,807.55	36,102.35
September, 2019	35.80	24.95	39,441.12	35,987.80
October, 2019	43.95	24.05	40,392.22	37,415.83
November, 2019	38.80	23.35	41,163.79	40,014.23
December, 2019	25.90	21.50	41,809.96	40,135.37
January, 2020	37.65	23.60	42,273.87	40,476.55
February, 2020	31.65	13.00	41,709.30	38,219.97
March, 2020	12.35	8.36	39,083.17	25,638.90

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

Registrars & Share Transfer Agents: (For both physical & demat segments)

S.K.D.C Consultants Limited,
 Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road,
 Ganapathy, Coimbatore - 641 006
 Tel: 0422-6549995, 2539836
 Fax: 0422-2539837, E-mail: info@skdc-consultants.com

Details of Compliance Officer:

Smt. P Krishnaveni
 Indsil Hydro Power and Manganese Limited
 "Indsil House", T.V.Samy Road (West), R.S.Puram,
 Coimbatore 641 002
 Phone: 0422-4522936
 Email: secretarial@indsil.com

In order to facilitate investor servicing, the Company has designated an e-mail-id: indsilho@indsil.com mainly for registering complaints by investors.

Reconciliation of Share Capital Audit

A qualified Company Secretary in Practice carried out reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

Share Transfer System

The Company's shares being in compulsory dematerialized (demat) list are transferable through the depository system. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Stakeholders Relationship Committee generally meets as and when required.

Categories of Shareholders as on 31st March, 2020

Category	No. of Shares of Rs. 10/- each	% to total
PROMOTERS	1,76,29,941	63.437
FOREIGN PORTFOLIO INVESTORS	44,258	0.159
FINANCIAL INSTITUTIONS / BANKS	148	0.001
CENTRAL GOVERNMENT / STATE GOVERNMENT	10,54,166	3.793
BODIES CORPORATE	15,21,010	5.473
NON-RESIDENT INDIANS	2,22,910	0.803
HINDU UNDIVIDED FAMILY	2,60,450	0.937
CLEARING MEMBERS	58,571	0.211
DIRECTORS AND RELATIVES	7,89,856	2.842
INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	2,08,541	0.750
UNCLAIMED SHARE SUSPENSE ACCOUNT	15,302	0.055
PUBLIC	59,85,969	21.539
TOTAL	2,77,91,122	100.000

Distribution of Shares as on 31st March, 2020

Range (Value in Rs.)	No. of Shareholders	% of Number of Shareholders	Face Value of Shares (Rs.)	% held (% value)
Upto 5000	5,235	76.92	90,77,330	3.27
5001 to 10000	693	10.18	54,27,900	1.95
10001 to 20000	420	6.17	62,14,020	2.24
20001 to 30000	123	1.81	31,11,810	1.12
30001 to 40000	83	1.22	29,22,200	1.05
40001 to 50000	48	0.71	22,35,830	0.80
50001 to 100000	99	1.45	71,89,340	2.59
100001 and above	105	1.54	24,17,32,790	86.98
Total	6,806	100.00	27,79,11,220	100.00

Dematerialization of Shares and Liquidity

The Company has arrangement with National Securities Depository Ltd (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility.

During the financial year 2019-20, 2,74,00,619 shares were dematted. As on 31st March, 2020 out of 2,77,69,714 shares, total shares in demat form is 2,74,00,619 shares and 3,69,095 shares in physical form. This represents 98.67% shares of the Company are in demat form and 1.33% shares are in physical form.

The shares are compulsorily tradable in demat form with effect from 26.06.2000 for all investors. With effect from 1st April, 2019, the applications for transfer of shares held in physical form will not be processed by the Listed Entity / Registrar and Share Transfer Agents, except in case of transmission of transposition, in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their likely impact on Equity

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR / ADR.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

NIL

Plant Locations

Smelter Plant	i. VI-679 Pallatheri, Elapully, Palakkad 678 007, Kerala ii. Sector "C", Plot 114-122 Urla Industrial Area, Raipur – 493 221, Chhattisgarh iii. Merakamudidam Mandalam, Garbham 535 102 Vizianagaram Dist, Andhra Pradesh
Rajakkad Hydro Electric Power Plant	VIII/351, Rajakkad, Idukki Dist 685 566, Kerala
Coal Power Plant	Sector "C", Plot 114-122 Urla Industrial Area, Raipur 493 221, Chhattisgarh

Address for Correspondence/ Contact address for shareholder:

S.K.D.C. Consultants Limited,
Ganapathy Towers, 3rd Floor, 1391/A-1, Sathy Road,
Ganapathy, Coimbatore – 641 006.
Tel: 0422-6549995, 2539836 Fax: 0422-2539837
Email: info@skdc-consultants.com

For annual report, transfer of demat shares, dividend on shares, change of address & other query relating to shares of the Company and investors correspondence, may be addressed to:

Smt. P Krishnaveni
Company Secretary & Compliance Officer,
Indsil Hydro Power and Manganese Limited,
Direct Phone: +91 422 4522936
e-mail: secretarial@indsil.com

Credit Rating:

The Company does not have any Debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds either in India or abroad that requires Credit Rating.

DISCLOSURES:

a. Disclosures on materially significant Related Party Transactions

All the Related Party Transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large. The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. Kindly refer to the notes forming part of accounts for the details of related party transactions. The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website viz. www.indsil.com.

b. Details of non-compliance by the Company, penalties, structures imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

No penalties, structures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

c. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

Your Company hereby affirms that no complaints were received during the year under review.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted the following non-mandatory requirements:

- i. The Company has separated the Office of Chairman and the Managing Director.
- ii. Reporting of internal Auditors to Audit Committee as recommended in terms of Regulation 27(1) read with part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

e. Policy for determining material subsidiaries and Policy on Related Party Transactions

Policy for determining material subsidiaries and Policy on dealing with Related Party Transactions has been disclosed on the website of the Company at www.indsil.com.

f. Commodity price risk and commodity hedging activities

The Company has not engaged in commodity hedging activities.

Forex exposure is being reviewed by the Board in every quarter. Forex exposure is being adequately covered as per the advice of consultant.

g. Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

h. Certificate on non-disqualification of directors

A certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director of the Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.

i. Recommendation of the Committees of the Board

During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees

j. Total Fees for all services paid to the Statutory Auditor

The Company has paid a sum of Rs. 5,50,000/- plus out of pocket expenses and applicable taxes as fees on consolidated basis to the Statutory Auditor and all entities in the network firm / entity of which the Statutory Auditor is a part for the services rendered by them.



k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee.

During the year 2019-20, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.

l. Disclosure on Accounting Treatment

In the preparation of the financial statements, the Company has followed the accounting standards referred to in Section 133 of the Companies Act, 2013 read with the relevant rules issued there under. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

m. Disclosure on Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

n. There has been no instance of non-compliance of any requirement of Corporate Governance Report as stated above in sub-para 2 to 10 above.

o. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate from CEO / CFO

The Managing Director and CFO certification on the financial statements for the year has been submitted to the Board of Directors in its meeting held on 15th June, 2020 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

The same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct for the year under review.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a Code of Conduct for monitoring the trading done by designated persons based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated persons who are expected to have access to unpublished price sensitive information relating to the Company.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

DECLARATION

I hereby affirm and state that all Board Members and senior management personnel of the have given a declaration in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and I hereby affirm compliance with the said Code of Conduct for the financial year 2019-20.

By Order of the Board

VINOD NARSIMAN
Managing Director
DIN: 00035746

K RAMAKRISHNAN
Whole Time Director
DIN: 02797842

Place: Coimbatore
Date: 11.11.2020

Unclaimed Suspense Account

Pursuant to Regulations 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had transferred its Unclaimed Shares to Indsil Hydro Power and Manganese Limited – Demat Suspense Account, maintained with M/s. Cholamandalam Securities Limited. The details pertaining to the Unclaimed Securities Suspense Account are given below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	87	16033
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of shareholders whose shares were transferred from suspense account during the year	5	731
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2020	82	15302

The voting rights on the outstanding unclaimed shares as on 31st March, 2020 shall remain frozen till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrars & Share Transfer Agents.

Certificate on Corporate Governance for the year ended 31/03/2020

To

The Members of M/s. Indsil Hydro Power and Manganese Limited

Dear Sir,

I have examined the compliance of the conditions of Corporate Governance by M/s. Indsil Hydro Power and Manganese Limited ("the Company") for the financial year ended 31st March 2020 as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2020.

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

Place: Coimbatore

Date: 11/11/2020

M D SELVARAJ
MDS & Associates
Company Secretaries in Practice
FCS No.: 960 CP No.: 411
UDIN: F000960B001210487

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)

To

The Board of Directors
M/s Indsil Hydro Power and Manganese Limited
Coimbatore – 641 002

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

- (i) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2020 and based on our knowledge and belief, we state that :
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - b) these statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (ii) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- (iii) We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (iv) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (v) We have indicated based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee.
 - a. significant changes, if any, in the internal control over, financial reporting during the year.
 - b. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

VINOD NARSIMAN
Managing Director
DIN: 00035746

R MURALI
Chief Financial Officer

Place : Coimbatore
Date : 15.06.2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

M/s. INDSIL HYDRO POWER AND MANGANESE LIMITED

(CIN: L27101TZ1990PLC002849)

Indsil House, Door No.: 103-107,

T.V. Samy Road (West), R S Puram,

Coimbatore – 641002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. INDSIL HYDRO POWER AND MANGANESE LIMITED** having CIN: L27101TZ1990PLC002849 and having registered office at Indsil House, Door No.: 103-107, T.V. Samy Road (West), R S Puram, Coimbatore – 641002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on **31st March 2020** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr.S N Varadarajan*	00035693	30/08/1990
2	Mr.Vinod Narsiman	00035746	18/01/1997
3	Mrs. D Pushpa Varadarajan*	00035787	30/08/1990
4	Mr.Balchand B*	00035878	30/09/1992
5	Mr.Inderchand S*	00035907	30/08/1990
6	Mr.A.K.Sreedharan#	00043167	21/04/2006
7	Mr.K S Mahadevan*	00043314	29/05/2018
8	Mr.K Annamalai	00751334	13/11/2017
9	Mr.Ramakrishnan K	02797842	01/06/2009
10	Mr.V Dharmaraj*	07944099	13/11/2017
11	Mrs.Saroja R#	08134556	29/05/2018

* Resigned with effect from 21st May 2020 # Resigned with effect from 9th September 2020

Note: The Company has appointed 1 (One) non-independent director on 21st May 2020 and 2 (Two) Independent Directors on 9th September 2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Coimbatore

Date: 11.11.2020

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN: F000960B001210401

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDSIL HYDRO POWER AND MANGANESE LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of **INDSIL HYDRO POWER AND MANGANESE LIMITED** ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "SFS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013 ("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 March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the standards on auditing (SA's) specified under section 143 (10) of the Act. Our responsibilities under those SA's are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

OTHER MATTERS

IND AS 105 (Non-current Assets Held for Sale and Discontinued Operations) require the results of discontinued operations to be presented separately in the statement of profit and loss. IND AS 105, inter alia provides that an operation shall be classified as a discontinued operation only if the immediate sale of the operations is highly probable in its present condition.

It has already been approved by the Board to sell or dispose off the Unit III of the company situated at Raipur by way of a special resolution. However, the appropriate level of management is of the view that the sale is unlikely to occur due to the present COVID scenario.

Consequently, on account of the condition of "the sale being highly probable", not being satisfied, unit III of the company is shown along with the continuing operations. Hence, no separate disclosure for Discontinued operations, is being made.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's board of directors is responsible for other information. The other information comprises the information included in the Director's Report to the shareholders, but does not include the standalone financial statements and our auditor's report thereon. The director's report to the shareholder is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Director's Report to the shareholders if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGES WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the State of Affairs, Profit and Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors are also responsible for overseeing the Company's financial reporting process. .

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit of the branches have been received.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

- a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 7 of Annexure A to the Independent Auditor's report.
 - b. The Company does have long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer 2.45 of the Notes to the Financial statements; and
 - c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditor's report under section 197 (16) of the Act;

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the act. The remuneration paid is not in excess of the limit laid down under section 197 of the act.

For RAJA & RAMAN
Chartered Accountants
(Firm's Registration No. 003382S)

K.R. RAMAN, FCA
Partner
(Membership No. 19715)
UDIN No. 20019715AAAABJ4479

Place : Coimbatore
Date : 30.07.2020

ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's report to the Members of M/s INDSIL HYDRO POWER AND MANGANESE LIMITED for the year ended 31st March 2020. We report that

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets are physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies as compared to the book records were noticed on such verification.
- c) According to the information and explanations given to us, and on the basis of our examination of the records of the company, the title deeds of are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, the discrepancies noticed on rectification between the physical stock and the book stocks were not material and have been properly dealt within the books of accounts.
3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013, Accordingly, the provision of clause (iii) (a), (b) and (c) of paragraph 3 of the order are not applicable.
4. In our opinion and according to information and explanation given to us, the Company has complied

with the provisions of sections 185 and section 186 of the Act, in respect of loans, investments, guarantees and security, as applicable.

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the para 3 of the order are not applicable to the company.
6. We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of Cost records under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, there are undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, and other material statutory dues were in arrears as at March 31, 2020.

- (b) Details of dues of Income tax as on 31st March 2020 on account of disputes are given below:

Name of the Statute	Nature of dues	forum where the dispute is pending	Period to which the amount relates	Amount Involved
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (appeals), Coimbatore	2005-06	Rs. 40,572
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (appeals), Coimbatore	2007-08	22,460
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (appeals), Coimbatore	2014-15	62,730
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (appeals), Coimbatore	2015-16	26,59,080
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (appeals), Coimbatore	2016-17	14,22,098
The Central Excise Act, 1944	Service Tax	Deputy Commissioner	2015-16	23,52,590
The Central Excise Act, 1944	Service Tax	Deputy Commissioner	2017-18	5,29,900

(b) Details of undisputed Statutory dues as on 31st March, 2020 are as follows:

(i) GST

S.No	Particulars	GST Due as on 31.03.2020
1	UNIT-I**	3,80,93,685.11
2	UNIT-II	43,24,652.00
3	UNIT-III*	1,74,84,272.45
4	SMS (merged with Indsil)*	1,26,08,977.40
	Total Amount	7,25,11,586.95

* received monthly installment order from the department

** planning to approach the department for monthly installment

(ii) Other Statutory Dues

Name of the Statute	Period to which the amount relates	Amount Involved
Employee State Insurance	Feb 2020 to Mar 2020	2,62,447
Provident Fund	Oct 2019 to Mar 2020	34,23,111

8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable. The company has availed the moratorium issued by the RBI on account of the ongoing COVID situation in respect of the dues payable to banks.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act..
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

For RAJA & RAMAN
Chartered Accountants
(Firm's Registration No. 003382S)

K.R. RAMAN, FCA
Partner
Place : Coimbatore
Date : 30.07.2020
(Membership No. 19715)
UDIN No. 20019715AAAABJ4479

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting INDSIL HYDRO POWER AND MANGANESE LIMITED (“the Company”) as of 31st March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Statements Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAJA & RAMAN
Chartered Accountants
(Firm's Registration No. 003382S)

K.R. RAMAN, FCA
Partner
(Membership No. 19715)
UDIN No. 20019715AAAABJ4479

Place : Coimbatore
Date : 30.07.2020

Particulars	Note	As at 31.03.2020		As at 31.03.2019	
I. ASSETS					
1. Non Current Assets					
(a) Property, Plant and Equipment	2.01	95,92,09,414		85,31,53,281	
(b) Capital Work-in-progress		1,30,20,009		2,36,75,425	
(c) Investment Property					
(d) Goodwill					
(e) Other Intangible Assets					
(f) Intangible Assets under Development		6,66,088		4,58,935	
(g) Biological Assets other than Bearer Plants					
(h) Financial Assets					
(i) Investments	2.02	40,43,59,656		40,48,46,788	
(ii) Trade Receivables					
(iii) Loans	2.03	27,98,68,538		28,95,21,176	
(iv) Others					
(i) Deferred Tax Assets (Net)					
(j) Other Non Current Assets					
			165,71,23,704		157,16,55,604
2 Current Assets					
(a) Inventories	2.04	155,25,26,967		149,70,67,510	
(b) Financial Assets					
(i) Investments	2.05	-		88,90,572	
(ii) Trade Receivables	2.06	8,26,32,673		22,52,57,772	
(iii) Cash and Cash Equivalents	2.07	96,84,907		96,81,437	
(iv) Bank Balances other than (iii) above		2,34,47,141		3,46,29,831	
(v) Loans	2.08	10,21,30,857		34,68,83,077	
(vi) Others					
(c) Current Tax Assets (Net)	2.09	18,41,770		51,96,644	
(d) Other Current Assets	2.10	3,25,00,855		92,83,132	
			180,47,65,170		213,68,89,978
TOTAL ASSETS			346,18,88,874		370,85,45,583
II EQUITY AND LIABILITIES					
1. Equity					
(a) Equity Share Capital	2.11	42,79,11,220		42,76,97,140	
(b) Other Equity	2.12	106,66,29,368		130,36,22,288	
			149,45,40,588		173,13,19,429
2. Non Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.13	35,52,32,636		24,71,68,939	
(ii) Trade Payables					
(iii) Others					
(b) Provisions	2.14	12,79,04,979		12,61,78,396	
(c) Deferred Tax Liabilities (Net)	2.15	2,05,96,391		3,13,22,191	
(d) Other Non Current Liabilities					
			26,85,01,370		40,46,69,527
3 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.16	91,76,36,361		83,44,84,165	
(ii) Trade Payables	2.17	16,02,229		14,71,824	
(iii) Others		35,86,03,030		32,79,44,576	
(b) Other Current Liabilities	2.18	18,57,72,660		40,28,57,361	
(c) Provisions	2.19	-		57,98,701	
(d) Current Tax Liabilities (Net)			169,88,46,916		157,25,56,626
TOTAL EQUITY AND LIABILITIES			346,18,88,874		370,85,45,583

As per our report of even date
For RAJA & RAMAN
 Chartered Accountants
 Firm Registration No: 003382S

For and on Behalf of the Board

VINOD NARSIMAN
 Managing Director
 DIN:00035746

K.R.RAMAN
 Partner
 Membership No : 19715

K. RAMAKRISHNAN
 Whole-Time Director
 DIN : 02797842

S.VARADARAJAN
 Director
 DIN : 08744090

R.MURALI
 Chief Financial Officer

Place : Coimbatore
 Date : 30.07.2020

Statement of Standalone Profit and Loss for the year ended March 31, 2020

Amount in Rs.

Particulars	Note	YE 31.03.2020		YE 31.03.2019	
I Revenue from operations II	2.20	127,68,79,739		223,64,61,322	
Other Income	2.21	7,45,34,764		12,41,58,039	
III Total Revenue (I + II)			135,14,14,502		236,06,19,361
IV Expenses					
Cost of Materials Consumed	2.22	91,36,41,593		131,89,14,512	
Purchases of Stock in Trade		-		-	
Changes in inventories of finished goods, work in progress and Stock-in- trade	2.23	(16,10,35,635)		(4,36,86,745)	
Employee benefits expense	2.24	13,74,08,847		12,87,86,935	
Finance Costs	2.25	20,94,17,045		21,38,26,822	
Depreciation and amortization expense Other expense	2.26 2.27	6,78,98,461 41,63,15,777		6,99,29,117 64,51,85,202	
Total Expenses		-	158,36,46,090	-	233,29,55,842
V Profit before exceptional and extraordinary items and tax (III-IV)			(23,22,31,587)		2,76,63,519
VI Exceptional Items			-		-
VII Profit before tax (V-VI)			(23,22,31,587)		2,76,63,519
Tax expense:					
(1) Current tax		-		56,40,274	
(2) Deferred tax		(1,07,25,800)		2,15,90,279	
			(1,07,25,800)		2,72,30,552
IX Profit for the period from continuing operations (VII-VIII)			(22,15,05,788)		4,32,967
X Profit/(Loss) from Discontinued Operations			-		-
XI Tax Expense of Discontinued Operations			-		-
XII Profit/(Loss) from Discontinued Operations after tax (X-XI)					
XIII Profit for the period (IX + XII)			(22,15,05,788)		4,32,967
XIV Other Comprehensive Income					
A (i) Items that will not be reclassified to Profit or Loss Re-measurement of the defined benefit plans Changes in fair value of FVOCI equity instruments			40,868		-
(ii) Income tax relating to Items that will not be reclassified to Profit or Loss			(5,28,000)		-
B (i) Items that will be reclassified to Profit or Loss			-		1,992
(ii) Income tax relating to Items that will be reclassified to Profit or Loss			-		(7,03,593)
XV Total Comprehensive Income for the period (XIII + XIV)			(22,19,92,920)		(2,68,634)
XVI Earnings per equity share:	2.28				
(1) Basic			(7.97)		0.02
(2) Diluted			(7.97)		0.02

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No: 003382S

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K.R.RAMAN
Partner
Membership No : 19715

K. RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

Place : Coimbatore
Date : 30.07.2020

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

Amount in Rs.

	Particulars	year ended March 31,2020	year ended March 31, 2019
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit / (loss) before tax	(23,22,31,587)	2,76,63,520
	Adjustments for non-cash non-operating items		
	Interest Income	(39,83,000)	(85,15,721)
	Dividend Income	(1,70,11,869)	(9,34,74,478)
	Depreciation	6,78,98,461	6,99,29,117
	Profit/ Loss on sale of assets	(92,66,703)	22,474
	Interest & other financial charges	20,94,17,045	21,38,26,822
	Provision for gratuity and Encashment of earned leave	17,26,583	(14,24,303)
	Other Non - Cash Items	(45,21,034)	(35,03,80,983)
	OCI items (+) tax there on	(4,87,132)	(6,88,862)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,15,40,763	(14,30,42,415)
	Adjustments for changes in		
	Current Assets:		
	Inventories	(5,54,59,457)	(16,70,03,067)
	Trade receivables	14,26,25,099	5,80,98,018
	Other current assets	(2,32,17,722)	48,54,434
	Current tax assets	(33,54,874)	(43,42,105)
	Current Liabilities:		
	Trade Payables	3,06,58,454	7,08,00,902
	Other current liabilities	(21,70,84,701)	18,83,33,656
	Current Provisions	(57,98,701)	49,31,458
	Cash generated from operations	(12,00,91,137)	1,26,30,881
	Adj: Income Tax		
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(12,00,91,137)	1,26,30,881
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(16,35,06,331)	(17,25,05,614)
	Sale Investments made during the year (ST)	88,90,572	-
	Sale Investments made during the year (LT)	4,87,132	6,38,53,918
	Interest & Dividend received	2,09,94,869	10,19,90,199
	Profit/ loss on sale of fixed assets	92,66,703	(22,474)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(12,38,67,055)	(66,83,971)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of share capital (Towards PC on merger)	2,14,080	-
	Repayment of Long term borrowings	-	-
	Increase in Long term Borrowings	10,80,63,697	(6,73,39,242)
	Financial Charges & Interest	(20,94,17,045)	(21,38,26,822)
	Increase/(decrease) in Deferred Tax	(1,07,25,800)	(3,16,82,836)
	Increase/(decrease) in Short term loans and advances	24,47,52,219	28,50,65,926
	Increase/(decrease) in Long term loans and advances	96,52,638	(2,40,19,163)
	Increase/(decrease) in Other bank balances (non cash equivalents)	1,11,82,690	1,76,90,869
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	15,37,22,478	(3,41,11,269)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(9,02,35,714)	(2,81,64,358)
	Cash and Cash Equivalents as on 01.04.2019 (Opening Balance)	(81,59,12,155)	(78,77,47,797)
	Cash and Cash Equivalents as on 31.3.2020 (Closing Balance)	(90,61,47,869)	81,59,12,155

Note :

i) Cash and cash equivalents included in the cash flow statement comprise the following Balance sheet figures:

	31.03.2020	31.03.2019
Cash in Hand and balance with Banks	1,14,88,492	96,81,437
Short term Investments in debt based liquid funds	-	88,90,572
(-) Short term borrowings	(91,76,36,361)	(83,44,84,165)
	(90,61,47,869)	(81,59,12,155)



- ii) Attention is brought to the fact that the Company has been merged with 'Sree Mahalakshmi Smelters Private Limited' vide NCLT order no.CP/712/CAA/2019 dated 07.08.2019 and 13.08.2019 with effective date of merger being 1st April 2018. Accordingly, the current and previous year financials presents the figures of merged entity.

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No: 003382S

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K.R.RAMAN
Partner
Membership No : 19715

K. RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

Place : Coimbatore
Date : 30.07.2020

Statement of changes in Equity for the year ended 31st March, 2020

A) Equity Share Capital

Particulars	Equity Amount
As on 01.04.2019	42,76,97,140
Changes in Equity Capital during the FY 2019-20	2,14,080
As on 01.04.2020	42,79,11,220

B) Other Equity

Particulars	Reserves & Surplus				OCI	Total
	Securities Premium Reserve	General Reserve	P&L / Surplus	Capital Reserve		
Balance as at 01.04.2019	19,10,65,899	23,02,60,004	97,35,59,177	(9,65,41,302)	52,78,511	130,36,22,289
Adjustments:						
Profit for the period	-	-	(22,15,05,788)	-	-	(22,15,05,788)
OCI for the period	-	-	-	-	(4,87,132)	(4,87,132)
Total Comprehensive Income for the period	19,10,65,899	23,02,60,004	75,20,53,389	(9,65,41,302)	47,91,379	108,16,29,369
Adjustments:						
Shares issue on account of merger	-	-	-	-	-	-
Reserves brought in on account of merger	-	-	-	-	-	-
Reversal of excess depreciation	-	-	-	-	-	-
Preference dividend taken over by merger	-	-	-	-	-	-
Dividend Issued	-	-	(1,50,00,000)	-	-	(1,50,00,000)
Balance as on 31.03.2020	19,10,65,899	23,02,60,004	73,70,53,389	(9,65,41,302)	47,91,379	106,66,29,369

Standalone Notes to financial Statements

2.01 Property, Plant And Equipment And Capital Work-In-Progress

Particulars	As at 31st March 2020	As at 31st March 2019
Carrying amounts of:		
Industrial Plot	5,28,73,235	5,28,73,235
Buildings	23,90,09,872	20,04,91,181
Plant and Equipment	63,53,20,926	57,49,87,208
Furniture and fixtures	5,69,617	8,01,571
Vehicles	20,15,028	80,95,040
Office Equipment	1,54,73,715	1,59,05,046
Total	94,52,62,393	85,31,53,281
Capital Work-in-progress	2,69,67,031	2,36,75,425
Intangible Assets	6,66,088	4,58,935
Total	2,76,33,119	2,41,34,360
Total	97,28,95,512	87,72,87,641

Particulars	Freehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total	Capital work in progress	Intangible Assets	Grand Total
Cost or deemed cost										
Balance at 1st April 2019	5,28,73,235	42,21,16,511	1,50,52,37,318	60,62,899	2,90,56,136	5,31,03,122	2,06,84,49,221	2,36,75,425	33,37,603	209,54,62,249
Additions	-	1,77,845	1,22,69,696	16,653	-	43,059	1,25,07,253	32,91,606	3,21,300	1,61,20,159
Additions through Business Combination	-	4,95,00,000	10,56,35,316	-	-	-	15,51,35,316	-	-	15,51,35,316
Eliminated on disposals of assets	-	4,00,000	5,80,00,000	-	1,49,12,613	-	7,33,12,613	1,39,47,022	-	7,33,12,613
Balance at 31st March 2020	5,28,73,235	47,13,94,356	1,56,51,42,330	60,79,552	1,41,43,523	5,31,46,181	2,16,27,79,177	1,30,20,009	36,58,903	219,34,05,111
Accumulated depreciation and impairment										
Balance at 31st March 2019	-	22,16,25,330	93,02,50,110	52,61,328	2,09,61,096	3,71,98,076	1,21,52,95,941	-	28,78,668	121,81,74,609
Eliminated on disposals of assets	-	3,14,203	5,51,00,000	-	1,01,49,267	-	6,55,63,470	-	-	6,55,63,740
Depreciation Expense through Business Combination	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	1,10,73,357	5,46,71,294	2,48,607	13,16,666	4,74,390	6,77,84,314	-	1,14,147	6,78,98,461
Adjusted in Reserve / P&L A/c	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2020	-	23,23,84,484	92,98,21,404	55,09,935	1,21,28,495	3,76,72,466	121,75,16,785	-	29,92,815	122,05,09,600
Carrying Amount										
Balance at 1st April 2019	5,28,73,235	20,04,91,181	57,49,87,208	8,01,571	80,95,040	1,59,05,046	85,31,53,281	2,36,75,425	4,58,935	87,72,87,641
Additions	-	4,96,77,845	11,79,05,012	16,653	-	43,059	16,76,42,569	32,91,606	3,21,300	17,12,55,475
Eliminated on disposals of assets	-	4,00,000	5,80,00,000	-	1,49,12,613	-	7,33,12,613	1,39,47,022	-	7,33,12,613
Depreciation expense	-	1,07,59,154	-4,28,706	2,48,607	-88,32,601	4,74,390	22,20,844	-	1,14,147	23,34,991
Balance at 31st March 2020	5,28,73,235	23,90,09,872	63,53,20,926	5,69,617	20,15,028	1,54,73,715	95,92,09,414	1,30,20,009	6,66,088	97,28,95,512

2.02 Non current Investments

S.No.	Particulars	31.03.2020		31.03.2019	
		Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
	Trade Investments - Unquoted fully paid up				
1	In Equity Shares of Subsidiary Company - Al Tamman Indsil Ferro Chrome LLC of 142.212 Oman Riyal - each (Extent of Holding - 50%.)	23,81,372	39,23,72,542	23,81,372	39,23,72,542
2	In Equity Shares of Wholly Owned Subsidiary Company - 300000 Nos. Indsil Hydro Global (FZE) of 1 AED each (Extent of Holding - 100%)	3,00,000	25,72,500	3,00,000	25,72,500
3	In Equity Shares of Wholly Owned Subsidiary Company - Indsil Energy Global (FZE) Extent of Holding - 100%)	3,00,000	25,72,500	3,00,000	25,72,500
4	Other Investments - Unquoted fully paid up				
	8,000 Equity Shares of Rs.10/- each in Kurumpetty HPP Ltd	8,000	-	8,000	-
	8,000 Equity Shares of Rs.10/- each in Palakkayam HPP Ltd	8,000	-	8,000	-
	8,000 Equity Shares of Rs.10/- each in Upper Poringal HPP Ltd	8,000	-	8,000	-
	8,000 Equity Shares of Rs.10/- each in Vattapara HPP Ltd	8,000	-	8,000	-
	1,57,500 equity shares of Rs.10/- each in Malayalam Communications Ltd.	1,57,500	20,10,734	1,57,500	20,10,734
5	Shares - Vimla Infrastructure (India) Pvt Ltd		40,000		40,000
	OCI FAIR VALUE		47,91,380		52,78,512
	Total	31,70,872	40,43,59,656	31,70,872	40,48,46,788

2.03 Long Term Loans & Advances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Unsecured considered good		
a)	Other loans and advances (specify nature).		
	- Electricity Charges recoverable	5,37,61,918	5,31,11,594
	- Security Deposits	11,29,81,708	12,26,24,169
	- Rental Advances	24,59,595	42,84,154
	- Tax Payment Pending Adjustments	11,06,65,316	10,91,84,941
	- Other Loans & Advances	-	3,16,319
	Total	27,98,68,538	28,95,21,176

2.04 Inventories

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
a	Raw Materials and components	120,10,75,976	130,31,22,485
	Goods in Transit	-	29,75,800
b	Finished goods	34,19,67,859	18,06,34,024
c	Stores and spares	33,69,960	42,57,861
d	Others		
	Consumables	9,16,476	7,41,831
	Packing Materials	8,12,725	6,53,338
e	Power - Banked Energy	43,83,970	46,82,170
Total		155,25,26,966	149,70,67,510

2.05 Current Investments

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Other Investments		
	Investment in Mutual Funds		
	SBI Magnum Insta Cash Fund	-	82,72,576
	Others	-	6,17,996
Total			88,90,572

2.06 Trade Receivables

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, considered good	8,26,32,672	22,52,57,772
	Unsecured, considered good	-	-
Total (A+B)		8,26,32,672	22,52,57,772

2.07 Cash and Bank Balances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Cash and Cash Equivalents		
	a) Balance with Banks		
	- In Current Accounts	91,80,557	62,08,411
	b) Cash on hand	5,04,350	3,56,303
	c) Cheques on hand		-
	d) Fixed Deposits maturing within 3 months	-	31,16,724
2	Other Bank Balances		
	a) Margin money	2,16,43,557	3,24,25,858
	b) Unclaimed Dividend		22,03,973
Total		3,31,32,049	4,43,11,268

2.08 Short term Loans & Advances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Others		
	Balance With Government Authorities	4,19,44,977	10,51,37,477
	Unsecured, considered good		
	- Advance to Trade suppliers	3,40,000	10,88,71,347
	- Advance to employees	56,61,200	49,52,411
	- Other Advances	5,41,84,680	12,79,21,842
Total		10,21,30,857	34,68,83,077

2.09 Current Tax Assets

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Advance Tax Paid	-	40,00,000
2	TDS Receivable	18,41,770	11,96,644
Total		18,41,770	51,96,644

2.10 Other current Assets

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Export Incentives receivable	3,25,00,855	92,83,132
Total		3,25,00,855	92,83,132

2.11 SHARE CAPITAL

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	AUTHORIZED		
	3,43,00,000 Equity shares of Rs.10/- Each	34,30,00,000	34,30,00,000
	2,00,00,000 Redeemable Preference Shares of Rs.10/- Each	20,00,00,000	20,00,00,000
		54,30,00,000	54,30,00,000
2	ISSUED SUBSCRIBED AND FULLY PAID UP		
	2,77,91,122 Equity shares of Rs. 10/- Each (2,77,69,714 Equity Shares of Rs. 10/- each Previous Year)	27,79,11,220	27,76,97,140
	1,50,00,000 preference shares of Rs. 10 each fully paid	15,00,00,000	15,00,00,000
Total		42,79,11,220	42,76,97,140

i) Terms/rights attached to Equity Shares:

The Company has one class of Equity Shares having a par value of 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend when proposed by the Board of Directors, is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

S. No.	Particulars	31.03.2020		31.03.2019	
		Number	value (Rs.)	Number	value (Rs.)
1	Equity Shares at the beginning of the year	2,77,69,714	27,76,97,140	1,58,86,792	15,88,67,920
	Add: Issues during the year	21,408	2,14,080	1,18,82,922	11,88,29,220
	Equity Shares at the end of the year	2,77,91,122	27,79,11,220	2,77,69,714	27,76,97,140

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

S. No.	Name of the Shareholder	31.03.2020		31.03.2019	
		No. of Shares held	% of holding	No. of Shares held	% of holding
1	Sunmet Holdings India Private Limited	1,40,17,745	50.44%	1,40,03,412	50.43%
2	Crosimn Agencies Private Limited	16,17,000	5.82%	16,17,000	5.82%
	TOTAL	1,56,34,745	56.26%	1,56,20,412	56.25%

2.12 OTHER EQUITY (RESERVES & SURPLUS)

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Securities Premium Account		
	Opening balance	19,10,65,899	18,98,98,471
	Additions through Business Combination	-	11,67,428
	Add: Credit on Exercise of ESOS Shares during the year	-	-
	Closing balance	19,10,65,899	19,10,65,899
2	General Reserves		
	Opening balance	23,02,60,003	23,02,60,003
	Additions through Business Combination	-	-
	Closing balance	23,02,60,003	23,02,60,003
3	Surplus		
	Opening balance	97,35,59,177	127,50,52,818
	(+) Business Combination	-	(27,49,87,809)
	(+) Depn excess claimed in Pyrs	-	-
	(+) Profit/(Loss) for the current year	(22,15,05,788)	4,32,968
	(-) Dividends Issued	-	(1,94,38,800)
	(-) Tax on Proposed Dividends *	-	-
	(-) Interim Dividend issued for Preference shares	(1,50,00,000)	(75,00,000)
	Closing balance	73,70,53,389	97,35,59,177
	Capital Reserve on Business Combination- ENERGY	(7,03,27,442)	(7,03,27,442)
	Capital Reserve on Business Combination- SMS	(2,62,13,860)	(2,62,13,860)
4	Other comprehensive Income		
a	Re measurement of the defined benefit plans		
	Opening Balance	(28,72,974)	(28,74,966)
	OCI for Current Year	-	1,992
	Total Comprehensive Income	(28,72,974)	(28,72,974)
b	FVOCI equity instruments		
	Opening Balance	39,51,083	39,38,344
	OCI for Current Year	40,868	12,739
	Total Comprehensive Income	39,91,951	39,51,083
c	Other items of OCI		
	Opening Balance	42,00,403	49,03,996
	OCI for Current Year	(5,28,000)	(7,03,593)
	Total Comprehensive Income	36,72,403	42,00,403
	Total of Other Comprehensive Income	47,91,380	52,78,512
	Closing Balance	106,66,29,369	130,36,22,289

2.13 Long Term Borrowings

Sr. No	Particulars	31.03.2020	31.03.2019	31.03.2020	31.03.2019
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
		Non current		Current Maturities	
1	Secured				
	Term loans from Banks				
	- Rupee Loan	-	3,26,45,626	3,43,75,000	4,43,75,000
	- Foreign Currency Loan	-	95,23,313	1,06,06,010	1,25,00,000
	Term loans from Others				
	- Rupee Loan	35,52,32,636	20,50,00,000	-	14,90,00,000
	Total	35,52,32,636	24,71,68,939	4,49,81,010	20,58,75,000

The Company has availed 11 Crores Rupee term loan from Yes Bank during the year 2017 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2016 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has taken loan from Non-Banking Companies by pledge of Shares / Land.

2.14 Long Term Provisions

S.No.	Particulars	31.03.2020	31.03.2019
		(Rs.)	(Rs.)
1	Provision for Gratuity	1,69,55,549	1,52,28,966
2	Provision for Electricity demands	11,09,49,430	11,09,49,430
	Total	12,79,04,979	12,61,78,396

2.15 Deferred taxes

S.No.	Particulars	31.03.2020	31.03.2019
		(Rs.)	(Rs.)
1	Deferred Tax Liabilities	2,05,96,391	3,13,22,191
	Total	2,05,96,391	3,13,22,191

2.16 Short term Borrowings

S.No.	Particulars	31.03.2020	31.03.2019
		(Rs.)	(Rs.)
1	Secured		
	Working Capital facilities from Banks		
	- In Rupee	91,76,36,361	83,44,84,165
	Total	91,76,36,361	83,44,84,165

Working capital facilities from IDBI Bank Ltd, RBL Bank, Yes Bank Ltd, The Federal Bank Ltd, Karnataka Bank Ltd and State Bank of India have pari passu first charge on the entire current assets of the Company and pari passu second charge on entire fixed assets of the Company. Working capital facilities from State Bank of India, RBL Bank and Federal Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Managing Director to the extent of limit sanctioned.

Working Capital facilities from Banks are repayable on demand and carries interest rates varying from 10.65% to 14.10% p.a.

2.17 Trade Payables

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Dues to Micro, small and medium Enterprises	16,02,229	14,71,824
2	Others	35,86,03,029	32,79,44,576
Total		36,02,05,258	32,94,16,400

2.18 Other Current Liabilities

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Current maturities of Long term Borrowings (Refer Note No. 2.13)	4,49,81,010	20,58,75,000
2	Unclaimed Dividends	18,91,160	22,91,548
3	Accrued Employee benefits	1,36,28,335	1,78,77,046
4	Statutory liabilities	7,49,48,941	13,72,95,696
5	Other Payables	5,03,23,214	3,95,18,071
Total		18,57,72,660	40,28,57,361

2.19 Short term Provisions

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Provision for Employee Benefits	-	1,58,427
2	Provision for Income Tax (Net)	-	56,40,274
Total		-	57,98,701

2.20 REVENUE FROM OPERATIONS

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Sale of Products: - Smelter - Power - Sale of Raw Materials	124,15,37,876 17,93,16,608 3,07,56,898	216,05,92,446 24,11,67,446 6,15,79,167
		145,16,11,382	246,33,39,060
2	Interdivisional Sale of Power	(17,93,16,608)	(24,11,67,446)
3	Other Operating Income Export Incentives	45,84,965	1,42,89,709
		127,68,79,739	223,64,61,322
4	Detail of Revenue from operations Silico Manganese & Manganese Ore Export Incentives Total	127,22,94,774 45,84,965 127,68,79,739	222,21,71,614 1,42,89,709 223,64,61,322

2.21 Other Income

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Interest Income	39,83,000	85,15,721
2	Dividend from Current Investments	-	2,76,88,228
3	Dividend from Subsidiaries	1,70,11,869	6,57,86,250
4	Profit on Sale of Assets/Investments	92,66,703	-
5	Scrap sales	1,15,22,694	71,78,067
6	Income from Insurance Claim	1,72,82,086	-
7	Rental Income	1,44,70,000	1,09,29,032
8	Short Term Capital Gain	4,02,452	-
9	Miscellaneous Income	5,95,960	40,60,741
	Total	7,45,34,764	12,41,58,039

2.22 Cost of Materials Consumed

S.No.	Particulars	31.03.2020 (Rs.)	2018-19 (Rs.)
a)	Consumption of Raw Materials		
1	Manganese Ore	59,12,78,169	67,44,83,166
2	Carbon reducers	24,45,49,447	31,53,70,771
3	Quartz	1,25,57,740	1,65,35,142
4	Carbon Paste	2,42,54,457	3,57,27,343
5	Others	4,10,01,781	27,67,98,089
	Total	91,36,41,593	131,89,14,512

2.23 Changes in inventories of finished goods, work in progress and Stock-in-trade

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Finished Goods: Opening Stock	18,06,34,024	13,34,05,076
	Less: Closing Stock	(34,19,67,859)	(18,06,34,024)
		(16,13,33,835)	(4,72,28,948)
2	Hydro Banked Units : Opening Stock	46,82,170	82,24,373
	Less: Closing Stock	(43,83,970)	(46,82,170)
		2,98,200	35,42,203
Total		(16,10,35,635)	(4,36,86,745)

2.24 Employee benefits expense

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Salaries and wages	12,47,81,697	10,67,30,688
2	Contribution to provident Fund & other Funds	59,65,342	67,85,674
3	Employee compensation – ESOS Amortisation	-	10,30,353
4	Provision for Gratuity & Earned Leave Encashment	22,03,259	-
5	Staff welfare expenses	44,58,549	142,40,220
Total		13,74,08,847	12,87,86,935

2.25 Finance costs

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Interest expense	19,95,34,350	20,30,26,620
2	Other Borrowing Costs	98,82,696	1,08,00,202
Total		20,94,17,045	21,38,26,822

2.26 Depreciation and amortization expense

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Depreciation and amortization expense	6,78,98,461	6,99,29,117
Total		6,78,98,461	6,99,29,117

2.27 Other expense

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Power & Fuel (Net)	30,11,56,958	46,33,94,572
2	Packing, Freight & Forwarding	2,81,67,224	4,22,21,499
3	Communication Expenses	24,04,732	21,39,602
4	Commission to Other Directors	-	3,01,250
5	Directors Sitting Fees	2,55,000	2,62,500
6	Travelling Expenses	60,46,640	77,34,758
7	Repairs & Maintenance :		
	Plant & Machinery	31,88,489	1,92,26,302
	Buildings & Others	49,04,065	3,82,77,958
8	Insurance Expenses	26,41,322	39,76,137
9	Legal Expenses	118,94,047	12,06,000

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
10	Professional Charges	78,81,493	1,02,05,885
11	Security service charges	64,53,808	81,83,729
12	Printing and Stationery	4,98,151	11,73,825
13	Auditors Remuneration For Audit	5,50,000	5,50,000
14	Rent	64,55,455	52,85,496
15	Rates & Taxes	66,771	55,34,027
16	Subscription	14,71,505	14,18,256
17	Donation	12,29,913	5,10,481
18	CSR Expenses	4,00,000	11,90,955
19	Sales Promotion expenses	24,272	24,90,070
20	Sales Commission & Discount	1,10,38,875	71,55,920
21	Transportation charges	1,19,63,141	1,68,97,187
22	Exchange Fluctuation (Net)	(52,01,594)	(22,65,269)
23	Loss on Sale of Assets	-	22,474
24	Miscellaneous Expenses	128,25,512	80,91,586
Total		41,63,15,777	64,51,85,202

2.28 EARNING PER SHARE

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Basic EPS		
	Net Profit after Tax	(22,15,05,788)	4,32,968
	Weighted average number of equity shares (Face Value of Rs. 10 each)	2,77,91,122	2,77,69,714
	Basic EPS (Rs.)	(7.97)	0.02
	Diluted EPS (Rs.)	(7.97)	0.02

As per our report of even date
For RAJA & RAMAN
 Chartered Accountants
 Firm Registration No : 003382S

K.R.RAMAN
 Partner
 Membership No. 19715

K.RAMAKRISHNAN
 Whole-Time Director
 DIN : 02797842

For and on Behalf of the Board

VINOD NARSIMAN
 Managing Director
 DIN : 00035746

S.VARADARAJAN
 Director
 DIN : 08744090

R.MURALI
 Chief Financial Officer

Place : Coimbatore
 Date : 30.07.2020

NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.3.2020

1. Company Overview

Indsil Hydro Power and Manganese Limited (“the Company”) is engaged in manufacturing Low Carbon Silico Manganese (LCSM) and Ferro Chrome – Key ingredients used in stainless steel Industry. Headquarter in Coimbatore (India), Indsil has LCSM Smelters in India integrated with Captive hydel and thermal power.

The Company is a Public Limited Company and listed on the Bombay Stock Exchange.

2. Significant Accounting Policies

(a) Compliance with Ind AS:

The financial statements are prepared in accordance with Indian Accounting Standards (“Ind AS”), the provisions of the Companies Act, 2013 (“the Companies Act”), as applicable and guidelines issued by the Securities and Exchange Board of India (“SEBI”). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements up to the previous year ended 31st March 2019 were prepared in accordance with the Accounting Standards[GAAP] notified under the Companies Act, 2013 and Companies (Accounting Standard) Rules, 2006.

The financial statements correspond to the classification provisions contained in Ind AS 1 - “Presentation of Financial Statements”. All amounts included in the IND AS financial statements are reported in Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

First time adoption of Indian Accounting Standards - Overall principle, mandatory and Optional exemptions

Overall Principle:

The Company has prepared the opening Balance Sheet (IND AS) on April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities.

Impairment of financial assets:

The Company has applied the impairment requirements of IND AS 109 retrospectively; however, as permitted by IND

AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to IND AS, whether there have been significant increases in credit risk since initial recognition, as permitted by IND AS 101.

Deemed cost of property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all its Property, plant and equipment and intangible assets, recognised as of 1st April 2016(transition date), measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Determination of lease arrangements:

The Company has applied the principles of Appendix C of IND AS 17 in order to determine if an arrangement existing at the date transition date contains a lease on the basis of facts and circumstances existing at that date.

Equity investments at FVTOCI:

The Company has designated investment in all equity shares, except investment in subsidiaries, joint ventures and associates as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

Accounting for Investment in Subsidiary, Joint Venture and Associate:

The Company has availed the optional exemption under “Ind AS 101 First time Adoption of Indian Accounting standards” with respect to Investments in subsidiaries, joint ventures and associates. Accordingly, the previous GAAP carrying amount of such investments as on transition date has been taken as deemed cost.

(b) Basis of preparation and presentation of financial statements:

These IND AS financial statements have been prepared on the basis of historical cost of convention and on accrual basis of accounting except for the following items which have been measured at Fair Value as required by the relevant Ind AS:

- Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- The defined benefit asset/ (liability) are recognised as the present value of defined benefit obligation less fair value of plan assets.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

(c) Use of Estimates & Judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies of the Company with respect to the figures reported in the financial statements. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note. Such accounting estimates could change from period to period and the actual results may differ from such estimates. Differences between actual results and estimates and changes in estimates are recognized in the financial statements in the period in which the results are known / materialized and their effects, if material are disclosed in the notes to financial statements.

The estimates and judgements used in the preparation of these IND AS financial statements are continuously reviewed by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after the date but provide additional evidence about the conditions existing as on the reporting date.

Information about such estimates and judgments are included in the relevant notes together with the basis of calculation for relevant line item in the financial statements. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(d) Property, Plant & Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the cost of acquisition of the asset. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Upon transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2016 measures as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Refer Note 2.01 for detailed classification of the Company's assets under various heads.

Depreciation:

The Company depreciates property, plant and equipment over the estimated useful life on a Straight-line basis from the date the assets are available for use. Straight line method has been adopted for providing depreciation on fixed assets. The assets are depreciated over the useful life as prescribed in Schedule II of The Companies Act, 2013. The useful lives have been determined based on Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period and the effects of changes in estimates if any are accounted at the end of each reporting period. Gains and Losses on disposal are determined by comparing proceeds with carrying amount and these are included in the Statement of Profit and loss.

Estimated useful life of tangible assets are as follows	
Buildings	30 Yrs
Plant & Machineries	20 Yrs
Furniture & Fittings	10 Yrs
Vehicles	8 Yrs
Office Equipments	5 Yrs
Computers & Electronic Devices	3 Yrs

Carrying amount of Assets:

Particulars	31st Mar 2020	31st Mar 2019
Buildings	23,90,09,872	2,00,49,11,81
Plant & Machineries	63,53,20,926	57,49,87,208
Furniture & Fittings	5,69,617	8,01,571
Vehicles	20,15,028	80,95,040
Office Equipments	1,54,73,715	1,59,05,046

(e) Intangible Assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for in the financial statements on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised upon its sale or when no future economic benefits are expected to arise. Gains/ losses arising upon such derecognition are charged to the profit or loss account as a differential figure between net disposal value and carrying value in books.

On transition to IndAS, the Company has elected to continue with the carrying value of intangible assets recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Estimated useful life of intangible assets are as follows:

Software	5 Years
Carrying Value of intangible assets:	6,66,088

(f) Impairment of assets:

The Company, on a periodical basis reviews the carrying value of assets to check for indications of impairment in its tangible as well as intangible assets. An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognised as an impairment loss.

(g) Financial Instruments:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than Financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Non – Derivative financial instruments:

Non derivative financial instruments consist of financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, employee and other advances, investments in equity and debt securities and eligible current and non-current assets. Financial assets are derecognised when substantial risks and rewards of ownership of financial assets have been transferred or when the entity does not retain control over the financial asset.

Financial liabilities includes long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non –Derivative financial instruments are initially recognised at fair value. Subsequent recognition of financial instruments is as follows.

Cash & Cash Equivalents:

The Company’s cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company’s cash management system. In the IndAS Balance Sheet, bank overdrafts are presented under borrowings within current liabilities.

Investments:

Financial instruments measured at amortised cost:

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principle amount outstanding.

Financial instruments measured at fair value through other comprehensive income (FVTOCI):

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Comprehensive Income : When the investment is disposed-off, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

Financial instruments measured at fair value through profit or loss (FVTPL):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

Interest income is recognised in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments designated to be classified as FVTOCI:

The Company carries investment in equity instruments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognized in other comprehensive income and the gain or loss is not reclassified to statement of profit and loss on disposal of these investments. Dividends from these investments are recognized in statement of profit and loss when the Company's right to receive dividends is established.

Investments in subsidiaries:

Investments in subsidiaries are measured at cost less impairment. The Company has availed the optional exemption under "Ind AS 101 First time Adoption of Indian Accounting Standards" with respect to Investments in subsidiaries, joint ventures and associates. Accordingly, the previous GAAP carrying amount of such investments as on transition date has been taken as deemed cost.

Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

Trade and other payables:

Trade and other payables are initially recognized at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

Derivative financial instruments:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counter party is primarily a bank. Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

Cash Flow Hedges:

Changes in the fair value of a cash flow - derivative hedging instrument is recognised in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. Where the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognised in the statement of profit and loss.

Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities.

Changes in fair value and gains/(losses), net, on settlement of foreign Currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

Derecognition of financial instruments:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Foreign Exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income/ expenses'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

(h) valuation of Inventories:

Inventories such as raw materials and stores are valued at cost on a weighted average basis while the finished goods and work-in-progress are valued at costs (incl. overheads as apportioned) or net realizable value whichever is lower. In case of goods in transits, cost represents the cost incurred upto the stage at which the goods in transit. The cost of finished goods includes raw material costs, direct labour costs, proportionate fixed and variable overheads costs while the raw materials costs consists of the purchase costs. Note No. 2.22 to the statement of profit and loss presents details about the consumption of materials during the year and the closing balance of inventories as on 31st March 2020.

(i) Translation and Recognition of foreign currency Transactions:

The transactions entered into by the Company that are in a currency other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

(j) Revenue Recognition:

- o Revenue is measured at the fair value of the consideration received or receivable and Sales of goods are recognised when the risk and rewards of ownership are passed on to customers, which is generally on dispatch of goods. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances and rebates. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below;

- o Accrual basis of accounting is followed by the Company for all regular sources of income and expenses.

- o Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

- o Dividend, Interest, Lease Rent, other income are accounted on accrual basis except those items with significant uncertainties.

- o Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, reference to principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- o Export incentives are recognised when the right to receive payment/credit is established and no significant uncertainty as to measurability or collectability exists. Revenue from carbon credits/ REC entitlements are recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(l) Dividends

Liability for interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors. Final dividend on shares is recorded as a liability on the date of approval by the share holders at the annual general meeting.

(m) Earnings per share

Basic Earnings per share is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year.

Diluted Earnings per share is calculated by dividing the Net Profit after tax attributable to the equity share holders by the weighted average number of equity shares including potential equity shares.

Calculation of number of potential equity share:

Particulars	No. of Equity Shares
Shares outstanding as on 1st April 2019	2,77,69,714
Add : Potential Shares	21,408
Total number of shares to calc. DPS	2,77,91,122

(n) Finance costs:

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

(o) Other Income:

Other income comprises interest income on deposits, dividend income and gains / (losses), net, on disposal of investments. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(p) Employee Benefits:

Short term employees benefits:

For benefits accruing to employees in respect of wages and salaries, annual leave and other short term benefits, the liability is recognised in the period in which the related service is rendered and when such benefits accrue to the employees in exchange of that service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post – Employment and pension plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Actuarial gains or losses are immediately recognised in other comprehensive income, net of taxes and permanently excluded from profit or loss. Further, the profit or loss will no longer include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income, net of taxes.

The Company has the following employee benefit plans:

Provident Fund: Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Company while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

Gratuity : In accordance with the Payment of Gratuity Act, 1972, applicable for Indian Companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company.

The gratuity fund is managed by the third-party fund managers. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognizes actuarial gains and losses in other comprehensive income, net of taxes.

Termination Benefits:

Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits.

(q) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognised in equity or in other comprehensive income.

Current tax on income:

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period, taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(r) Provisions, contingent liabilities and contingent assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes to financial statements. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable. Provisions, contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations, legal or constructive, arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

(s) Statement of cash flows and cash & cash equivalents:

Cash Flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. For the purpose of presentation of statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short – term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(t) Segment Reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Executive Officer (CEO), who is the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided.

The Company has two reportable segments, namely Smelter and Power. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Company's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on arm's length basis.

(u) Leases:

As a Lessee : Leases where significant risks and rewards of ownership are not transferred to the Company are called Operating leases. Payments for operating leases (net of any incentives received by the Lessor) are charged to the profit or loss on a straight-line basis over the period of the lease as per the lease arrangement.

2.29 CONTINGENT LIABILITIES

S.No.	Particulars	31.03.2020	31.03.2019
a)	Letters of Credit issued by Banks on behalf of the Company	-	9,32,18,625
b)	Guarantees issued by Banks on behalf of the Company	1,85,00,056	2,65,91,250

- d) In the past, the Kerala State Electricity Board has raised certain demands on the Company relating to payment of electricity charges and other charges on account of working of the hydro electric power division of the Company. These charges were more than that warranted for, when specifically considering the working agreement between the Company and KSEB for operation of the hydro electric power plant. These demands remain in dispute and have been challenged by the Company in various forums including the Hon'ble High Court of Kerala. Such matters remain sub-judice and in some cases, where necessary, pending judgement, adequate provisions have been made. The Company is confident of positive redressal by the appropriate forums where no provisions has been made and in cases where the Company has deposited sums/advances, pending judgements, it is expected that those sums would be refunded.
- e) The Case pertains to levy of electricity duty on the self generation of Unit between year 2005 to 2015. It is also questioned on the power of the State on the levy of duty on self generation. The case is in the High Court and the Company has obtained a stay on recovery.
- f) There are also case relating to VAT for which the Company has obtained stays from the High Court of Kerala.

2.30 DISCLOSURE ON "EMPLOYEE BENEFITS" AS PER IND AS 19:

Particulars	31.03.2020	31.03.2019
Present value of obligations at the beginning of the year	1,59,72,646	1,75,20,510
Business combination	-	(18,51,277)
Current service cost	7,11,641	7,42,518
Interest Cost	9,86,383	11,93,996
Re-Measurement (Gains)/losses:		
Actuarial gains and losses arising from change in Demographic assumption	-	(44,966)
Actuarial gains and losses arising from change in financial assumption	5,05,235	(10,30,743)
Actuarial gains and losses arising from experience adjustment	(7,43,680)	
Benefits paid	(4,76,676)	(5,57,392)
Present value of obligations at the end of the year	1,69,55,549	1,59,72,646
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of the year		
Interest Income		
Return on plan assets		
Contributions from the employer		
Benefits paid		
Fair value of plan assets at end of the year		
Amounts recognised in the Balance sheet		
Projected benefit obligation at the end of the year	1,69,55,549	1,59,72,646
Fair value of plan assets at the end of the year		
Funded status of the plans - liability recognised in the balance sheet	1,69,55,549	1,59,72,646
Components of defined benefit cost recognised in the profit or loss / Other Comprehensive Income		
Current service cost	7,11,641	7,42,518
Net Interest Expense	9,86,383	11,93,996

Particulars	31.03.2020	31.03.2019
Components of defined benefit cost recognised in Other Comprehensive Income		
Comprehensive Income		
Re-measurement on the net defined benefit liability:		
Actuarial gains and losses arising from change in financial assumption	5,05,235	(10,30,743)
Actuarial gains and losses arising from experience adjustment	-	(5,57,392)
Return on plan assets		
Net cost in Other Comprehensive Income	(7,39,373)	3,48,379

2.31 SEGMENT REPORT

Primary Segments (Business Segments)	31.03.2020	31.03.2019
1. Segment Revenue		
a. Smelter	133,41,32,416	236,06,19,361
b. Power	19,65,98,694	24,11,67,446
	153,07,31,110	260,17,86,807
Less : Intersegment Revenue	17,93,16,608	24,11,67,446
Net Revenue	135,14,14,502	236,06,19,361
2. Segment Results		
(Profit / Loss before Financial charges & Tax)		
a. Smelter	(17,36,96,936)	2,48,59,566
b. Power	15,08,82,394	18,89,42,547
	(2,28,14,542)	21,38,02,113
Add / Less : Unallocable Income/Expenses	-	2,76,88,228
Operating Profit	(2,28,14,452)	24,14,90,341
Less : Financial Charges	20,94,17,045	21,38,26,822
Total Profit / (Loss) before Tax and extraordinary items	(23,22,31,587)	2,76,63,519
3. Capital Employed		
(Segment Assets - Segment Liabilities)		
a.Smelter	142,76,51,419	156,10,19,212
b.Power	57,06,23,175	57,49,69,742
	199,82,74,594	213,59,88,954

2.32 RELATED PARTY DISCLOSURES

a) Wholly Owned Subsidiary	Indsil Hydro Global (FZE), Indsil Energy Global (FZE)
b) Other Related Entity	Sunmet Holdings India Private.Ltd , Sunkorp, Mahaveers Saree Private Limited, Eleven Commodities LLP.
c) Key Management Personnel	Sri Vinod Narsiman – Managing Director Sri K Ramakrishnan - Whole Time Director Sri. S.Mahadevan (Company Secretary – upto 25.06.2020) Sri.R.Murali(Chief Financial Officer)
d) Relatives of Key Management Personnel	Sri S N Varadarajan (F/o Sri Vinod Narsiman) Smt. D.Pushpa Varadarajan (M/o Sri Vinod Narsiman), Sri. Vishwaa Narsiman (S/o Sri.Vinod Narsiman) Sri. Rudra Narsiman (S/o Sri.Vinod Narsiman)
e) Foreign Subsidiary	Al-Tamman Indsil Ferro Chrome LLC,

Particulars	Wholly Owned Subsidiary	Foreign Subsidiary	Other Related Entity	Key Management Personnel	Relatives of Key Management Personnel
Current Year - (31.03.2020)					
Sales of Raw Material *					
Purchase of Raw Material			13,40,20,212		
Sales of Finished Goods *			1,93,62,030		
Sales of Property & other Assets					47,63,347
Rent paid			44,03,431		7,04,000
Rent Receipts			82,600		
Directors' Sitting Fees				75,500	90,000
Managerial Remuneration				68,53,246	6,95,150
Loan Receipts (Borrowings)			12,00,00,000		
Dividend Received	1,70,11,869				
Dividend Paid			1,50,00,000		
Interest Paid			1,54,19,177		
Commission paid to Directors					
Balances outstanding	2,46,40,157	41,94,529	(19,91,72,814)	(55,17,426)	(1,57,46,234)

Previous Year- (31.03.19)					
Sales of Raw Material					
Purchase of Raw Material			9,22,31,014		
Purchase of Finished Goods					
Sales of Finished Goods			1,50,66,240		
Royalty Paid			47,91,251		
Rent paid				90,000	6,78,000
Directors' Sitting Fees				47,500	2,15,000
Managerial Remuneration				67,56,572	62,244
Loan Receipts (Borrowings)			12,00,00,000		
Dividend Received	6,57,86,250	2,57,72,019			
Dividend Paid					
Interest Paid			72,72,327		
Commission paid to Directors				9,00,000	
Unsecured Loan granted to Subsidiary					
Balances outstanding	94,27,415	51,91,009	(20,16,38,604)	(1,44,68,437)	(1,13,844)

* Sale and Purchase of Raw material and Finished goods is carried out between related entities at arms length basis adopting fair accounting standards with the prior approval of the Audit Committee.

2.33 INVESTMENT IN MUTUAL FUNDS

Particulars		Balance as on 01.04.2019	Purchased/ Reinvested during the year	Redeemed during the year	Balance as on 31.03.2020
DSP BlackRock Money Manager Fund	Value	6,17,996		6,17,996	-
	Units	254		254	-
SBI Magnum Insta Cash Fund - Regular	Value	82,72,576	65,00,000	1,47,72,576	-
	Units	2,038	1,520	3,558	-
	Value Rs.	88,90,572	65,00,000	1,53,90,572	-

2.34 EXECUTIVE VICE CHAIRMAN'S REMUNERATION

		As at 31.03.2020 (Rs.)	As at 31.03.2019 (Rs.)
Salary		-	1,00,000
Commission		-	-
Perquisites		-	12,000
		-	1,12,000

2.35 MANAGING DIRECTOR'S REMUNERATION

		As at 31.03.2020 (Rs.)	As at 31.03.2019 (Rs.)
Salary		21,60,000	20,05,000
Commission		-	-
Perquisites		43,200	43,200
		22,03,200	20,48,200

2.36 WHOLE TIME DIRECTOR'S REMUNERATION

		As at 31.03.2020 (Rs.)	As at 31.03.2020 (Rs.)
Salary		9,73,806	9,58,488
Commission		-	-
Perquisites		18,720	18,720
		9,92,526	9,77,208

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

Net profit before tax as per Statement of Profit & Loss	(23,22,31,587)	2,76,63,520
Add: Executive Vice Chairman's remuneration	-	1,12,000
Managing Director's Remuneration	22,03,200	20,48,200
Commission to Non-Executive Directors	-	3,01,250
Net profit as per Sec.198 of the Companies Act.	(23,00,28,387)	3,01,24,970
Commission payable to Chairman	-	-
Commission payable to Managing Director - 5% of Net profits	-	-
Commission payable to Non-Executive Directors - 1% of Net profits subject to a maximum of Rs. 6,00,000/-	-	3,01,250

Particulars	As at 31.03.2020	As at 31.03.2019
2.38 Value of imports (on CIF basis)		
Raw Materials	-	4,26,02,198
2.39 Expenditure in foreign currency:		
Travelling	34,988	76,330
Professional & Consultancy	7,15,774	-
Subscription & Others	9,86,911	7,05,417
2.40 Dividend in Foreign currency	1,70,11,869	9,15,58,269
2.41 Earnings in foreign exchange (on FOB basis)	14,80,60,817	34,71,28,811

2.42 Details of shares allotted under Employees' Stock Option Scheme

Pursuant to the withdrawal of the Indsil Employee Stock Option Scheme, 2008, the 'Indsil ESOS Trust' which was set up to administer the Scheme was wound-up during the year under review.

Application of in principle approval obtained from BSE for 10,00,000 Equity Shares of Rs. 10/- each under employee stock option 2018 on 14.01.2019.

Grant of stock option under the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme, 2018 ("INDSIL ESOS 2018")

Particulars	No. of Shares
Number of options outstanding at the beginning of the period	26,408
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	5,000
Number of options vested during the year	21,408
Number of options exercised during the year	21,408
Number of shares arising as a result of exercise of options	21,408
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	2,14,080
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	Nil

2.43 (i) Pursuant to the Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Chennai Bench vide order dated 7th August 2019 & 13th August 2019, the Company has accounted for the said merger under the 'Pooling of Interest' method as prescribed in Ind AS - 103 "Accounting for Business Combinations".

2.44 All figures are in Rupees unless otherwise stated
Amounts have been rounded-off to the nearest Rupee and previous year's figures regrouped wherever necessary.

2.45 As of 31st March, 2020 the following are the details of Derivative Contracts

Value of Forward Contract	Value in (Rs.)
Unexpired Contract	,
- Export	5,22,30,666

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

The future minimum lease payments are as follows:

Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
not later than one year	42,15,684	44,91,468
later than one year and not later than five years	1,77,86,124	1,93,58,796
later than five years	-	-

2.47 The China Market / COVID-19 impact was felt severely in finished goods pricing and demand.

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No : 003382S

K.R.RAMAN
Partner
Membership No. 19715

K.RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN : 00035746

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

Place : Coimbatore

Date 30.07.2020



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDSIL HYDRO POWER AND MANGANESE LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated IND AS financial statements of **INDSIL HYDRO POWER AND MANGANESE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated IND AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by The Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance

and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for assessing the ability of the Group and of its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations,

or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of the group and its jointly controlled entity.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of 3 subsidiaries whose financial statements (before eliminating intercompany balances) reflects total assets of 442.77 Crores and net assets 23.77 Crores as at March 31, 2020, total revenue (before eliminating intercompany transactions) of 390.24 Crores, and net cash flows amounting (0.11) crores for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors



whose report have been furnished to us by the Management and our opinion on the consolidated IND AS financial statements , in so far as it relates to the amounts and disclosures included in respect of the Wholly owned subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Wholly & Partly owned subsidiary, are based solely on reports of other auditors.

In respect of M/s Al Tamman Indsil Mining LLC (Partly owned subsidiary), the other auditor has stated that the financial statements fairly present the financial position of the company as at 31st December 2019 and has expressed an unmodified opinion. However, the following paragraph has also been inserted by the other auditor in his audit report.

Material Uncertainty Related to Going Concern

We draw attention to note 2.1(a) to the financial statements, which indicates that the Company's current liabilities exceed its current assets by RO 9.62 million (INR 1783 million) and its accumulated losses amounting to RO 3.16 million (INR 585.8 million) have substantially eroded the capital as at 31 December 2019.

These events or conditions along with other details stated in note 2.1(a) to the financial statements, indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter."

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated IND AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated IND AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement Cash Flow and the consolidated statement of changes in equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated IND AS financial statements.

- d) In our opinion, the aforesaid consolidated IND AS financial statements comply with the Indian Accounting Standards [IND AS] specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary incorporated in India as on 31st March 2020, taken on record by the Board of Directors of the Holding Company and the Subsidiary incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act. With respect to subsidiary company's incorporated outside India, Section 164(2) of the Act is not applicable to them.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our Report in "Annexure A.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated IND AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group
 - ii. The Company has no Derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.
 - iv. The company has provided requisite disclosures in its standalone financial statements as to holding; disclosures are in accordance with the books of accounts maintained by the company.

For RAJA & RAMAN
Chartered Accountants
(Firm's Registration No. 003382S)

K.R. RAMAN, FCA
Partner
(Membership No. 19715)
UDIN No. 20019715AAAABK8945

Place : Coimbatore
Date : 30.07.2020

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the Consolidated IND AS Financial Statements of the Company as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of Indsil Hydro Power and Manganese Limited (hereinafter referred to as “the Holding Company”) and its Subsidiary company incorporated in India as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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



OPINION

In our opinion, the Holding company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAJA & RAMAN
Chartered Accountants
(Firm's Registration No. 003382S)

K.R. RAMAN, FCA
Partner
Date : 30.07.2020 (Membership No. 19715)
UDIN No. 20019715AAAABK8945

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CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

Amount in Rs.

Particulars	Note	As at 31.03.2020		As at 31.03.2019	
I. ASSETS					
1. Non Current Assets					
(a) Property, Plant and Equipment	2.01	404,15,83,041		325,13,93,656	
(b) Capital Work-in-progress		1,30,20,009		2,36,75,425	
(c) Investment Property				-	
(d) Goodwill					
(e) Other Intangible Assets		68,72,529		18,10,48,594	
(f) Intangible Assets under Development				-	
(g) Biological Assets other than Bearer Plants				-	
(h) Financial Assets					
(i) Investments	2.02	2,63,07,340		2,63,65,956	
(ii) Trade Receivables				-	
(iii) Loans	2.03	27,98,68,538		29,35,21,176	
(iv) Others				-	
(i) Deferred Tax Assets (Net)				-	
(j) Other Non Current Assets			436,76,51,456	-	377,60,04,807
2 Current Assets					
(a) Inventories	2.04	2,52,97,99,511		261,93,05,803	
(b) Financial Assets					
(i) Investments	2.05	-		88,90,572	
(ii) Trade Receivables	2.06	50,75,21,172		56,69,29,942	
(iii) Cash and Cash Equivalents	2.07	1,39,77,233		1,19,71,488	
(iv) Bank Balances other than (iii) above	2.07	2,34,47,141		3,77,46,555	
(v) Loans	2.08	9,87,40,287		42,97,96,280	
(vi) Other financial assets					
(c) Current Tax Assets (Net)	2.09	18,41,770		3,23,51,381	
(d) Other Current Assets	2.10	4,42,33,664	321,95,60,779	92,83,132	371,62,75,152
TOTAL ASSETS			758,72,12,235		749,22,79,959
II EQUITY AND LIABILITIES					
1. Equity					
(a) Equity Share Capital	2.11	42,79,11,220		42,76,97,140	
(b) Other Equity	2.12	103,51,96,847	146,31,08,067	179,41,84,420	222,18,81,560
2. Non Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.13	49,89,59,041		59,98,24,387	
(ii) Trade Payables					
(iii) Others					
(b) Provisions	2.14	12,79,04,979		12,61,78,396	
(c) Deferred Tax Liabilities (Net)	2.15	2,05,96,391		3,13,22,191	
(d) Other Non Current Liabilities	2.16	86,98,23,291	151,72,83,702	2,99,91,160	78,73,16,135
3 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.17	354,24,76,786		310,86,99,795	
(ii) Trade Payables	2.18	42,99,13,485		76,22,06,044	
(iii) Others	2.19	63,42,17,285		58,59,23,758	
(b) Other Current Liabilities	2.20	2,12,909		2,62,52,666	
(c) Provisions			460,68,20,466	-	448,30,82,264
(d) Current Tax Liabilities (Net)					
TOTAL EQUITY AND LIABILITIES			758,72,12,235		749,22,79,959

As per our report of even date
For RAJA & RAMAN
 Chartered Accountants
 Firm Registration No : 003382S

K.R.RAMAN
 Partner
 Membership No. 19715

Place : Coimbatore
 Date : 30.07.2020

For and on Behalf of the Board

VINOD NARSIMAN
 Managing Director
 DIN : 00035746

K.RAMAKRISHNAN
 Whole-Time Director
 DIN : 02797842

S.VARADARAJAN
 Director
 DIN : 08744090

R.MURALI
 Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH 2020

Amount in Rs.

Particulars	Note	As at 31.03.2020		As at 31.03.2019	
I Revenue from operations	2.21	517,65,58,839		685,82,42,565	
II Other Income	2.22	13,07,16,417		6,77,64,672	
III Total Revenue (I + II)			530,72,75,255		692,60,07,237
IV Expenses					
Cost of Materials Consumed	2.23	321,53,36,683		384,23,70,641	
Purchases of Stock in Trade	2.24	-		20,97,99,104	
Changes in inventories of finished goods, work in progress and Stock-in-trade	2.25	(16,10,35,635)		(25,92,45,698)	
Employee benefits expense	2.26	37,31,37,768		31,66,01,295	
Finance Costs	2.27	37,38,90,866		33,32,25,384	
Depreciation and amortization expense	2.28	29,24,23,610		29,94,51,698	
Other expense	2.29	185,62,76,147		198,18,75,563	
Total Expenses			595,00,29,440		672,40,77,988
V Profit before exceptional and extraordinary items and tax (III-IV)			(64,27,54,185)		20,19,29,249
VI Exceptional Items					-
VII Profit before tax (V-VI)			(64,27,54,185)		20,19,29,249
viii Tax expense:	2.30				
(1) Current tax				56,40,274	
(2) Deferred tax		(1,07,25,800)		2,15,90,279	
(3) MAT Adjustment			(1,07,25,800)	-	2,72,30,553
IX Profit for the period from continuing operations (VII - VIII)			(63,20,28,385)		17,46,98,696
X Profit/(Loss) from Discontinued Operations					
XI Tax Expense of Discontinued Operations					
XII Profit/(Loss) from Discontinued Operations after tax (X - XI)			(63,20,28,385)		17,46,98,696
XIII Profit for the period (IX + XII)					
XIV Other Comprehensive Income					
A (i) Items that will not be reclassified to Profit or Loss			40,868		
Remeasurement of the defined benefit plans			(5,28,000)		
Changes in fair value of FVOCI equity instruments					
(ii) Income tax relating to Items that will not be reclassified to Profit or Loss					
B (i) Items that will be reclassified to Profit or Loss					1,992
(ii) Income tax relating to Items that will be reclassified to Profit or Loss					(7,03,593)
xv Total Comprehensive Income for the period (xiii+xiv)			(63,25,15,517)		17,39,97,095
XVI Profit attributable to :					
Owners of the company			(42,31,90,446)		8,77,15,831
Non- Controlling Interest			(20,88,37,939)		8,69,82,865
			(63,20,28,385)		17,46,98,696
XVII Total Comprehensive Income attributable to:					
Owners of the company			(42,36,77,578)		8,70,14,230
Non- Controlling Interest			(20,88,37,939)		8,69,82,865
			(63,25,15,517)		17,39,97,095
XVI Earnings per equity share:	2.31				
(1) Basic			(15.23)		3.16
(2) Diluted			(15.23)		3.16

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No : 003382S

K.R.RAMAN
Partner
Membership No. 19715

Place : Coimbatore
Date : 30.07.2020

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN : 00035746

K.RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Particulars		year ended 31.03.2020	year ended 31.03.2019
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit / (loss) before tax	(64,27,54,185)	20,19,29,249
	Adjustments for		
	Interest Receipts	(39,83,000)	(85,15,721)
	Income from Mutual Funds		(2,76,88,228)
	Depreciation	29,24,23,610	29,94,51,698
	Financial charges & Interest	37,38,90,866	33,32,25,384
	Profit/Loss on sale of Investments	92,66,703	1,32,276
	Provision for Employee Benefits	-	-
	Other non operating income	(6,92,70,336)	(46,56,398)
	OCI items + tax there on	(4,87,132)	(6,88,862)
	Other Non - Cash Items	(7,66,72,427)	(21,81,12,204)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(11,75,85,901)	57,50,77,194
	Adjustments for changes in		
	Inventories	8,95,06,292	(31,08,66,820)
	Trade receivables	5,94,08,770	(9,21,71,357)
	Other advances	33,10,55,993	(4,53,35,233)
	Other Current Assets	(3,49,50,532)	48,54,433
	Current Tax Assets	3,05,09,611	(3,14,96,842)
	Trade Payables	(33,22,92,559)	44,53,27,665
	Other current liabilities	4,82,93,527	(24,24,77,156)
	Short term provisions	(2,60,39,757)	96,10,355
	Cash generated from operations	4,79,05,443	31,25,22,239
	Less: Income Taxes Paid		
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	4,79,05,443	31,25,22,239
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(89,77,81,514)	(56,93,80,128)
	Profit/ (Loss) on sale of investments	(92,66,703)	(1,32,276)
	Sale of Investments	(1,55,68,070)	(2,43,15,222)
	Other non operating income	6,92,70,336	46,56,398
	Interest received	39,83,000	85,15,721
	Income from Mutual Funds	-	2,76,88,228
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(84,93,62,951)	(55,29,67,279)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase in share capital	2,14,080	-
	Decrease in Long term Loan and Advances	1,36,52,638	4,07,08,741
	Increase/(Decrease) in Long term Borrowings	(10,08,65,346)	(1,13,31,598)
	Increase/(Decrease) in Other non-current liabilities	83,98,32,131	(2,31,32,835)
	Increase/(Decrease) in other bank balances (non cash equivalents)	1,42,99,413	1,76,90,869
	Increase/(Decrease) in long term provisions	17,26,583	(14,24,303)
	Financial Charges & Interest	(37,38,90,865)	(33,32,25,383)
	Increase/(Decrease) in deferred tax	(1,07,25,800)	2,15,90,279
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	38,42,42,834	(28,91,24,230)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(41,72,14,674)	(52,95,69,270)
	Cash and Cash Equivalents as on 1.4.2019 (Opening Balance)	(308,78,37,736)	(255,82,68,467)
	Cash and Cash Equivalents as on 31.3.2020 (Closing Balance)	(350,50,52,410)	(308,78,37,736)

Note :

i) Calculation of Cash and cash equivalents

	31.03.2020	31.03.2019
Cash & Bank Balances	3,74,24,375	1,19,71,488
Liquid Investments	-	88,90,572
Short Term borrowings	(354,24,76,786)	(310,86,99,795)
Total	(350,50,52,412)	(308,78,37,736)



- ii) Attention is brought to the fact that the Holding Company, Indsil Hydro Power and Manganese Limited has been merged with Sree Mahalakshmi Smelters Private Limited vide NCLT order no.CA/485/CAA/2018 effective date of merger being 1st April 2018.

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No : 003382S

K.R.RAMAN
Partner
Membership No. 19715

Place : Coimbatore
Date : 30.07.2020

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN : 00035746

K.RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

Consolidated Statement of Changes in Equity



Equity Share Capital

Particulars	Equity Share Capital	
	No. of Shares	(`)
Balance as on 31.03.2019	4,27,69,714	42,76,97,140
Changes in equity share capital during the year	21,408	2,14,080
Balance as on 31.03.2020	4,27,91,122	42,79,11,220

Other Equity

Reserves & Surplus

Particulars	Securities Premium	general Reserve	Ex. Fluct Reserve	P&I / Surpluses	Capital Reserve	OCI	Total	Non - Controlling Interest	Total Equity
Balance as on 01.04.2019	19,10,65,899	23,02,60,003	(35,20,21,142)	132,27,16,857	(7,03,27,442)	52,78,512	132,69,72,687	46,83,79,163	179,53,51,850
Adj:									
Share Capital attributable to MI	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	(4,44,79,757)	(42,31,90,446)	(2,62,13,860)	-	(49,38,84,063)	-	(49,38,84,063)
OCI for the period	-	-	-	-	-	(4,87,132)	(4,87,132)	(20,88,37,938)	(20,93,25,070)
Total Comprehensive Income for the period	19,10,65,899	23,02,60,003	(39,65,00,899)	89,95,26,411	(9,65,41,302)	47,91,380	83,26,01,492	25,95,41,225	109,21,42,716
Adj:									
Shares issue on account of merger	-	-	-	-	-	-	-	-	-
Reserves brought in on account of merger	-	-	-	-	-	-	-	-	-
Cost of Control subsidiaries	-	-	-	-	-	-	-	-	-
Reversal of excess depreciation	-	-	-	-	-	-	-	-	-
Payment of Dividend	-	-	-	(5,69,45,869)	-	-	(5,69,45,869)	-	(5,69,45,869)
Balance as on 31.03.2020	19,10,65,899	23,02,60,003	(39,65,00,899)	84,25,80,542	(9,65,41,302)	47,91,380	77,56,55,623	25,95,41,225	103,51,96,847

Consolidated Notes to Financial Statements

2.01 Property, Plant And Equipment And Capital work-In-Progress

Particulars	Freehold land	Buildings	Plant & equipment	Electrical & equipment	Furniture & fixtures	vehicles	office equipments	Total	Capital work in progress	Intangible Assets	Grand Total
Cost or deemed cost											
Balance at 31st March 2019	5,28,73,235	42,21,16,511	4,81,95,07,633	7,23,88,621	1,32,61,112	4,89,49,944	6,85,61,511	549,76,58,567	2,36,75,425	18,39,27,262	570,52,61,254
Additions	-	1,77,845	94,72,54,513	1,39,47,022	10,27,945	33,07,258	5,42,082	96,62,56,665	32,91,606	65,27,741	97,60,76,012
Additions through business combination	-	4,95,00,000	10,56,35,316	-	-	-	-	15,51,35,316	-	-	-
Eliminated on disposals of assets	-	4,00,000	10,56,61,995	-	-	1,80,08,511	-	12,40,70,506	1,39,47,022	18,05,89,659	31,86,07,187
Balance at 31st March 2020	5,28,73,235	47,13,94,356	576,67,35,467	8,63,35,643	1,42,89,057	3,42,48,691	6,91,03,593	665,01,15,358	1,30,20,009	98,65,344	636,27,30,079
Accumulated depreciation and impairment											
Balance at 31st March 2019	-	22,16,25,330	188,88,40,493	3,76,64,916	1,21,22,635	3,38,55,520	5,21,56,043	224,62,64,911	-	28,78,668	224,91,43,579
Eliminated on disposals of assets	-	3,14,203	7,22,71,110	-	-	1,25,92,060	-	8,51,77,373	-	-	8,51,77,373
Depreciation Expense Adjusted in Reserve / P&L A/c	-	1,10,73,357	27,30,21,162	29,30,813	6,45,537	35,67,595	10,70,999	29,23,09,463	-	1,14,147	29,24,23,610
Balance at 31st March 2020	-	23,30,12,890	223,41,32,765	4,05,95,729	1,27,68,172	5,00,15,175	5,32,27,042	262,37,51,747	-	29,92,815	245,63,89,816
Carrying Amount											
Balance at 31st March 2019	5,28,73,235	20,04,91,181	293,06,67,140	3,47,23,705	11,38,477	1,50,94,424	1,64,05,468	325,13,93,656	2,36,75,425	18,10,48,594	345,61,17,675
Additions	-	1,77,845	94,72,54,513	1,39,47,022	10,27,945	33,07,258	5,42,082	96,62,56,665	32,91,606	65,27,741	97,60,76,012
Additions through business combination	-	4,95,00,000	10,56,35,316	-	-	-	-	15,51,35,316	-	-	15,51,35,316
Eliminated on disposals of assets	-	4,00,000	10,56,61,995	-	-	1,80,08,511	-	12,40,70,506	1,39,47,022	18,05,89,659	31,86,07,187
Depreciation expense	-	1,07,59,154	20,07,50,052	29,30,813	6,45,537	(90,24,465)	10,70,999	20,71,32,090	-	1,14,147	20,72,46,237
Balance at 31st March 2020	5,28,73,235	23,90,09,872	367,71,44,922	4,57,39,914	15,20,885	94,17,636	1,58,76,551	404,15,83,041	1,30,20,009	68,72,529	406,14,75,579

2.02 Non Current Investments

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Trade Investments - Unquoted Fully paid up		
1	In Equity Shares of Wholly Owned Subsidiary Company - Indsil energy Global (FZE) (Extent of Holding - 100%)	-	-
	In Equity Shares of Wholly Owned Subsidiary Company - 300000 Nos. Indsil Hydro Global (FZE) & Indsil Enery Global (FZE) of 1 AED each (Extent of Holding - 100%)	-	-
2	Other Investments - Unquoted Fully paid up		
	8,000 Equity Shares of Rs.10/- each in Kurumpetty HPP Ltd	-	-
	8,000 Equity Shares of Rs.10/- each in Palakkayam HPP Ltd	-	-
	8,000 Equity Shares of Rs.10/- each in Upper Poringal HPP Ltd	-	-
	8,000 Equity Shares of Rs.10/- each in Vattapara HPP Ltd	-	-
	1,57,500 equity shares of Rs.10/- each in Malayalam Communications Ltd.	20,10,734	20,10,734
3	Shares - Vimla Infrastructure (India) Pvt Ltd	40,000	40,000
	OCI Fair vlaue	47,91,380	52,78,512
	Investment in subsidiary	1,94,65,226	1,90,36,710
	Total	2,63,07,340	2,63,65,956

2.03 Long Term Loans & Advances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Unsecured considered good		
a)	Other loans and advances (specify nature).		
	- Electricity Charges recoverable	5,37,61,918	5,31,11,594
	- Security Deposits	11,29,81,708	12,26,24,169
	- Rental Advances	24,59,595	42,84,154
	- Tax Payment Pending Adjustments	11,06,65,316	11,31,84,941
	- Other Loans & Advances	-	3,16,319
	Total	27,98,68,538	29,35,21,176

2.04 Inventories

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
a	Raw Materials and components	226,02,48,521	154,95,22,168
	Goods in Transit	-	15,37,12,566
b	WIP		
c	Finished goods	26,00,67,859	90,57,35,869
d	Stores and spares	-	42,57,861
e	Others		
	Consumables	50,99,161	7,41,831
	Packing Materials	-	6,53,338
f	Power - Banked Energy	43,83,970	46,82,170
	Total	252,97,99,511	261,93,05,803

2.05 Current Investments

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Other Investments		
	Investment in Mutual Funds		
	SBI Magnum Insta Cash Fund	-	82,72,576
	Others	-	6,17,996
	Total	-	88,90,572

2.06 Trade Receivables

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Secured, considered good	50,75,21,172	34,16,72,169
	Unsecured, considered good	-	-
	Sub Total (A)	50,75,21,172	34,16,72,169
2	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, considered good	-	22,52,57,772
	Unsecured, considered good	-	-
	Sub Total (B)	-	22,52,57,772
	Total (A+B)	50,75,21,172	56,69,29,942

2.07 Cash and Bank Balances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Cash and Cash Equivalents		
	a) Balance with Banks		
	- In Current Accounts	1,16,22,944	1,10,17,545
	b) Cash on hand	23,54,290	9,53,943
	c) Cheques on hand	-	-
	d) Fixed Deposits maturing within 3 months	-	-
2	Other Bank Balances		
	a) Margin money	2,16,43,557	3,24,25,858
	b) Unclaimed Dividend	18,03,584	22,03,973
	c) Fixed Deposits	-	31,16,724
	Total	3,74,24,376	4,97,18,043

2.08 Short term Loans & Advances

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Loans and advances to related parties		
	Unsecured, considered good		
	- Unsecured Loan to subsidiary Company	-	-
	- Advance to Expenses	83,42,240	-
2	Others		
	Balance With Government Authorities	4,19,44,977	10,51,37,477
	Unsecured, considered good		
	- Advance to Trade suppliers	3,40,000	13,24,88,171
	- Advance to employees	-	49,52,411
	- Other Advances	4,81,13,071	18,72,18,221
	Total	9,87,40,287	42,97,96,280

2.09 Current Tax Assets

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Advance Tax Paid	-	-
2	TDS Receivable	18,41,770	11,96,644
		18,41,770	11,96,644
1	Provision for Income Tax	-	-
	Interim Dividend Payable	-	3,11,54,737
	Total	18,41,770	3,23,51,381

2.10 Other Current Assets

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Export Incentives receivable	4,42,33,664	92,83,132
	Total	4,42,33,664	92,83,132

2.11 SHARE CAPITAL

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	AUTHORIZED		
	3,43,00,000 Equity Shares of Rs. 10/- Each	34,30,00,000	34,30,00,000
	2,00,00,000 Redeemable Preference Shares of Rs.10/- each	20,00,00,000	20,00,00,000
		54,30,00,000	54,30,00,000
2	ISSUED, SUBSCRIBED AND FULLY PAID UP		
	2,77,91,122, Equity Shares of Rs. 10/- Each (2,77,69,714 Equity Shares of Rs. 10/- each previous year)	27,79,11,220	27,76,97,140
	Preference		
	1,50,00,000 Preference Shares of Rs. 10/- each	15,00,00,000	15,00,00,000
	Total	42,79,11,220	42,76,97,140

i) Terms/rights attached to Equity Shares:

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

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

S. No.	Particulars	31.03.2020		31.03.2019	
		Number	value (Rs.)	Number	value (Rs.)
1	Equity Shares at the beginning of the year	2,77,69,714	27,76,97,140	1,58,86,792	15,88,67,920
	Add: Issues during the year	21,408	2,14,080	1,18,82,922	11,88,29,220
	Equity Shares at the end of the year	2,77,91,122	27,79,11,220	2,77,69,714	27,76,97,140

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

S. No.	Name of the Shareholder	31.03.2020		31.03.2019	
		No. of Shares held	% of holding	No. of Shares held	% of holding
1	Sunmet Holdings India Private Limited	1,40,17,745	50.44%	1,40,03,412	50.43%
2	Crosimn Agencies Private Limited	16,17,000	5.82%	16,17,000	5.82%
	TOTAL	1,56,34,745	56.26%	1,56,20,412	56.25%

2.12 OTHER EQUITY (RESERVES & SURPLUS)

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Securities Premium Account		
	Opening balance	19,10,65,899	18,98,98,471
	Additions through Business Combination	-	11,67,428
	Closing balance	19,10,65,899	19,10,65,899
2	General Reserves		
	Opening balance	23,02,60,003	23,02,60,003
	Additions through Business Combination	-	-
	Closing balance	23,02,60,003	23,02,60,003
3	Capital Reserve		
	Opening balance	(7,03,27,442)	(5,55,21,436)
	Capital Reserve on Business Combination	-	-
	Capital Reserve on consolidation- Energy Global	(2,62,13,860)	(1,48,06,006)
	Capital Reserve on consolidation- Sree Mahalaksmi Smelter Pvt Ltd	-	-
		(9,65,41,302)	(7,03,27,442)
4	Exchange Fluctuation Reserve		
	Opening balance	(35,20,21,142)	(28,36,73,688)
	Additions Through Business Combination	-	-
	During the year	(4,44,79,757)	(6,83,47,454)
	Closing balance	(39,65,00,899)	(35,20,21,142)
5	Surplus		
	Opening balance	132,27,16,857	134,75,77,768
	Additions through Business Combination	-	(8,56,37,944)
	Add : Profit/(Loss) for the current year	(42,31,90,446)	8,77,15,831
	Less : Proposed Dividends	-	(1,94,38,800)
	Less : Depreciation excess claimed in Previous years	-	-
	Less : Interim Dividend issued for Preference shares	(5,69,45,869)	(75,00,000)
	Add : Transfer from reserves- security premium	-	-
	Closing balance	84,25,80,542	132,27,16,855
6	Other Comprehensive Income		
	a) Remeasurement of the defined benefit plans		
	Opening Balance	(28,72,974)	(28,74,966)
	OCI for Current Year	-	1,992
	Closing Balance [A]	(28,72,974)	(28,72,974)
	b) FVOCI equity instruments		
	Opening Balance	39,51,083	39,38,344
	OCI for Current Year	40,868	12,739
	Closing Balance [B]	39,91,951	39,51,083

	c) Other items of OCI		
	Opening Balance	42,00,403	49,03,996
	OCI for Current Year	(5,28,000)	(7,03,593)
	Closing Balance	36,72,403	42,00,403
	Total of Other Comprehensive Income [A]+[B]+[C]=[D]	47,91,380	52,78,512
7	NON Controlling Interest	25,95,41,225	46,83,79,163
	Closing Balance	103,51,96,847	179,41,84,420

2.13 Long Term Borrowings

Sr. No	Particulars	31.03.2020	31.03.2019	31.03.2020	31.03.2019
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
		Non Current		Current Maturities	
1	Secured				
	Term loans from Banks				
	- Rupee Loan	14,37,26,405	3,26,45,626	4,49,81,010	5,68,75,000
	- Foreign Currency Loan	-	21,31,78,761		
	- Rupee term loans from Other	35,52,32,636	35,40,00,000		
	Total	49,89,59,041	59,98,24,387	4,49,81,010	5,68,75,000

The Company has availed 11 Crores Rupee term loan from Yes Bank during the year 2017 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2016 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has taken loan from Non Banking Companies by pledge of Shares / Land

2.14 Long Term Provisions

S.No.	Particulars	31.03.2020	31.03.2019
		(Rs.)	(Rs.)
1	Provision for Gratuity	1,69,55,549	1,52,28,966
2	Provision for Electricity demands	11,09,49,430	11,09,49,430
	Total	12,79,04,979	12,61,78,396

2.15 Deferred Tax Liabilities (Net)

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Deferred Tax Liabilities	2,05,96,391	3,13,22,191
Total		2,05,96,391	3,13,22,191

2.16 Other Non Current Liabilities

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Finance Lease Liability	83,50,24,814	35,22,891
	End of service Benefits	3,47,98,477	2,64,68,269
	Interest Payable	-	-
	Outstanding Expense -	-	-
Total		86,98,23,291	2,99,91,160

2.17 Short term Borrowings

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Secured		
	Working Capital facilities from Banks		
	- In Rupee	346,18,35,138	83,44,84,165
	- Foreign Currency Loan	-	227,42,15,631
	Loan repayable on Demand	8,06,41,649	-
Total		354,24,76,786	310,86,99,795

Working capital facilities from IDBI Bank Ltd, RBL Bank, Yes Bank Ltd, The Federal Bank Ltd, Karnataka Bank Ltd and State Bank of India have pari passu first charge on the entire current assets of the Company and pari passu second charge on entire fixed assets of the Company. Working capital facilities from State Bank of India, RBL Bank and Federal Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Managing Director to the extent of limit sanctioned.

Working Capital facilities from Banks are repayable on demand and carries interest rates varying from 10.65% to 14.10% p.a.

2.18 Trade Payables

S.No. Particulars		31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Dues to Micro, small and medium Enterprises	-	-
2	Others	42,99,13,485	76,22,06,044
Total		42,99,13,485	76,22,06,044

2.19 Other Current Liabilities

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Current maturities of Long term Borrowings (Refer Note No. 2.13)	4,49,81,010	5,68,75,000
2	Current Portion of Long Term Borrowings/Lease Liability	91,73,683	2,65,72,528
3	Advance from Customers	-	-
4	Unclaimed Dividends	18,91,160	22,91,548
5	Accrued Employee benefits	1,36,28,335	1,78,77,046
6	Statutory liabilities	7,49,48,941	13,72,95,696
7	Other Payables	48,95,94,158	3,95,18,071
8	Term Loan Repayable within One year	-	30,54,93,870
Total		63,42,17,286	58,59,23,758

2.20 Short term Provisions

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Provision for Employee Benefits	86,375	2,00,96,637
2	Provision for Income Tax (Net)	-	56,40,274
3	Other Short Term provisions	1,26,534	5,15,754
Total		2,12,909	2,62,52,665

2.21 Revenue from operations

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Sale of Products:		
	- Smelter	514,12,16,976	678,23,73,689
	- Power	16,42,47,415	24,11,67,446
	- Sale of Raw Materials	3,07,56,898	6,15,79,167
		533,62,21,289	708,51,20,302
2	Less : Excise duty	-	-
		533,62,21,289	708,51,20,302
3	Interdivisional Sale of Power	(16,42,47,415)	(24,11,67,446)
4	Other Operating Income		
	Export Incentives	45,84,965	1,42,89,709
		517,65,58,839	685,82,42,565
5	Detail of Revenue from operations		
	Silico Manganese & Manganese Ore	517,19,73,874	684,39,52,856
	Export Incentives	45,84,965	1,42,89,709
		517,65,58,839	685,82,42,565

2.22 Other Income

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Interest Income	39,83,000	85,15,721
2	Dividend Income	-	2,76,88,228
3	Dividend from Subsidiaries	-	52,58,640
4	Profit on Sale of Assets/Investments	92,66,703	1,32,276
5	Scrap sales	1,57,57,392	1,05,22,764
6	Rental Income from Lease	1,44,70,000	1,09,29,032
7	Discount	2,84,447	61,612
8	Realised Gain - Forex	4,02,452	-
9	Income from Insurance Claim	1,72,82,086	-
10	Miscellaneous Income	6,92,70,336	46,56,398
Total		13,07,16,417	6,77,64,672

2.23 Cost of materials Consumed

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
a)	Consumption of Raw Materials	321,53,36,683	384,23,70,641
Total		321,53,36,683	384,23,70,641

2.24 Purchase of Stock in Trade

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
a)	Purchases of Stock in Trade	-	20,97,99,104
Total		-	20,97,99,104

2.25 Changes in inventories of finished goods, work in progress and Stock-in- trade

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Finished Goods: Opening Stock	18,06,34,024	64,03,52,489
	Additions through Business Combination		
	Less: Closing Stock	(34,19,67,859)	(89,07,35,649)
		(16,13,33,835)	(25,03,83,160)
2	Work-in-Progress : Opening Stock	46,82,170	14,34,38,099
	Additions through Business Combination		
	Less: Closing Stock	(43,83,970)	(15,23,00,637)
	Total	2,98,200	(88,62,538)
Total		(16,10,35,635)	(25,92,45,698)

2.26 Employee benefits expense

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Salaries and wages	36,05,10,618	28,53,98,912
2	Contribution to provident Fund & other Funds	59,65,342	67,85,674
3	Employee compensation - ESOS amortisation	-	10,30,353
4	Provision for Gratuity & Earned Leave Encashment	22,03,259	30,073
5	Staff welfare expenses	44,58,549	2,33,56,282
Total		37,31,37,768	31,66,01,295

2.27 Finance Costs

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Interest expense	19,95,34,350	31,39,03,377
2	Other Borrowing Costs	17,43,56,517	1,93,22,008
Total		37,38,90,866	33,32,25,384

2.28 Depreciation and amortization expense

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Depreciation and amortization expense	29,24,23,610	29,94,51,698
Total		29,24,23,610	29,94,51,698

2.29 Other expense

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Power & Fuel (Net)	154,70,09,349	126,92,97,340
2	Royalty	3,37,60,013	-
3	Packing, Freight & Forwarding	2,81,67,224	4,71,44,711
4	Communication Expenses	35,56,652	63,64,193
5	Consumables & Stores	47,19,997	12,23,97,549
6	Commission to Other Directors	-	3,01,250
7	Direct Contractual Wages	-	4,31,94,374
8	Directors Sitting Fees	68,40,277	66,51,850
9	Factory Rent	-	4,39,71,669
10	Freight Outwards	8,19,04,929	7,40,13,942
11	General Expenses	-	-
12	Repairs & Maintenance :		
	Plant & Machinery	61,53,326	7,42,38,327
	Buildings & Others	49,04,065	4,14,07,757
	Vehicle Hire Charges/ Maintenance	-	8,10,00,751
	Repairs and Maintenance	-	9,56,754
13	Insurance Expenses	1,19,18,513	1,85,94,755
14	Legal Expenses	1,32,10,681	75,73,613
15	Professional Charges	1,79,77,137	1,33,24,259
16	Security service charges	64,53,808	81,83,729
17	Ore crushing charges	-	2,94,51,802

18	Printing and Stationery	9,85,461	17,51,038
19	Advertisement & Publicity	-	6,92,450
20	Auditors Remuneration For Audit	6,97,326	9,06,638
21	Rent	1,52,30,336	1,40,10,372
22	Rates & Taxes	24,32,165	76,21,487
23	Subscription	14,71,505	15,75,700
24	Donation	12,29,913	5,10,481
25	Donation under CSR	4,00,000	11,90,955
26	Sales Promotion expenses	24,272	24,90,070
27	Sales Commission & Discount	2,92,51,007	2,28,86,277
28	Testing & Sampling fees	58,87,237	67,12,702
29	Transportation charges	1,19,63,141	1,68,97,187
30	Travelling Expenses	70,68,661	1,17,01,812
31	Exchange Fluctuation (Net)	(52,01,594)	(79,71,599)
32	Visa Charges	-	20,60,032
33	Miscellaneous Expenses	1,82,60,745	1,07,48,864
	Loss on sale of assets	-	22,474
34	Sundry balance written off	-	-
Total		185,62,76,147	198,18,75,563

2.30 Current & Deferred tax

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
1	Current tax	-	56,40,274
2	Deferred tax	(1,07,25,800)	2,15,90,279
3	MAT Credit Entitlement	-	-
Total		(1,07,25,800)	2,72,30,553

2.31 EARNING PER SHARE

S.No.	Particulars	31.03.2020 (Rs.)	31.03.2019 (Rs.)
	Basic EPS		
	Net Profit after Tax	(42,31,90,446)	8,77,15,831
	Weighted average number of equity shares	2,77,91,122	2,77,69,714
	(Face Value of Rs. 10 each)	27,79,11,220	27,76,97,140
	Basic EPS (Rs.)	(15.23)	3.16
	Diluted EPS (Rs.)	(15.23)	3.16

As per our report of even date
For RAJA & RAMAN
Chartered Accountants
Firm Registration No : 003382S

K.R.RAMAN
Partner
Membership No. 19715

Place : Coimbatore
Date : 30.07.2020

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN : 00035746

K.RAMAKRISHNAN
Whole-Time Director
DIN : 02797842

S.VARADARAJAN
Director
DIN : 08744090

R.MURALI
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.3.2020

1. Company Overview

Indsil Hydro Power and Manganese Limited ("the Company") is engaged in manufacturing Low carbon silico Manganese (LCSM) and Ferro Chrome- Key ingredients used in stainless steel Industry. Headquartered in Coimbatore (India), Indsil has LCSM Smelters in India integrated with Captive hydel and thermal power.

The company is a public limited company and listed on the Bombay Stock Exchange.

2. Significant Accounting Policies

(a) Compliance with IND AS:

These financial statements are prepared in accordance with Indian Accounting Standards ("IND AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements.

(b) Basis of preparation and presentation of financial statements

These financial statements have been prepared on the basis of historical cost of convention and on accrual basis of accounting except for the following items which have been measured at Fair Value as required by the relevant INDAS:

- Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.
- Gain or loss arising on account of translation of Financial statements of foreign subsidiaries into function currency.
- Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Principles of consolidation and equity accounting:

The Company determines the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements. Subsidiaries and controlled Trusts are entities controlled by the Group. The Group controls an entity when the parent has power over the entity, it is exposed to, or has

rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries and controlled Trusts are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

Non – Controlling Interest:

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non - controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non - controlling interests even if it results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Accounting for Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Changes in ownership interest:

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently

accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Details of interest in other entities:

The group's subsidiaries as at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business / Country of Incorporation	Ownership interest Held by the Group			Ownership interest held by Non Controlling interests			Principal Activities
		31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-20	31-Mar-19	31-Mar-18	
Al Tamman Indsil Ferro Chrome LLC	Sultanate of Oman	50	50	50	50	50	50	Manufacture of Ferro Chrome
Indsil Hydro Global (FZE)	Sharjah, UAE	100	100	100	-	-	-	Providing Business Consultancy Services
Indsil Energy Global (FZE)	Sharjah, UAE	100	100	100	-	-	-	Providing Business Consultancy Services

Significant Judgement of the Management:

The operational control of M/s.Al Tamman Indsil Ferro Chrome LLC is managed by the company, post-merger with 'Indsil Energy and Electrochemicals Private Limited' the company holds 50% of the equity. Therefore the consolidation is treated on a line by line basis in the consolidated Ind AS financial statements.

Note on Non – Controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	Al Tamman Indsil Ferro Chrome LLC	
	31-Mar-20	31-Mar-19
Current Assets	128,92,13,208	155,68,06,530
Current Liabilities	307,32,85,052	303,67,46,652
Net Current Assets	(178,40,71,844)	(147,99,40,122)
Non Current Assets	311,63,87,532	2,41,72,77,085
Non Current Liabilities	108,77,35,934	23,36,46,609
Net Non Current Assets	202,86,51,598	218,36,30,476
Net Assets	24,45,79,754	70,36,90,354
Accumulated NCI	25,95,41,225	35,18,45,177

Summarised statement of profit and loss	Al Tamman Indsil Ferro Chrome LLC	
	31-Mar-20	31-Mar-19
Revenue	389,96,79,100	441,61,16,381
Profit for the Year	(41,76,75,879)	17,39,65,730
Other comprehensive income	-	-
Total comprehensive income	(41,76,75,879)	17,39,65,730
Profit allocated to NCI	(20,88,37,940)	8,69,82,865
Dividend paid to NCI		-

Summarised Cash Flows	Al Tamman Indsil Ferro Chrome LLC	
	31-Mar-20	31-Mar-19
Cash flows from operating activities	22,79,40,583	29,98,91,358
Cash flows from investing activities	(1,71,74,530)	(54,62,83,308)
Cash flows from financing activities	(57,55,83,038)	(25,50,12,960)
Net increase / (decrease) in cash and cash equivalents	(36,48,16,984)	(50,14,04,910)

C. Use of Estimates & Judgements :-

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies of the Company with respect to the figures reported in the financial statements. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note. Such accounting estimates could change from period to period and the actual results may differ from such estimates. Differences between actual results and estimates and changes in estimates are recognized in the financial statements in the period in which the results are known/ materialized and their effects, if material are disclosed in the notes to financial statements. The estimates and judgments used in the preparation of these financial statements are continuously reviewed by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after the date but provide additional evidence about the conditions existing as on the reporting date.

Information about such estimates and judgments are included in the relevant notes together with the basis of calculation for relevant line item in the financial statements. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(d) Property, Plant & Equipment:-

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the cost of acquisition of the asset. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Upon transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2016 measures as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment. Refer Note 2.01 for detailed classification of the Company's assets under various heads.

Depreciation:

The Company depreciates property, plant and equipment over the estimated useful life on a Straight-line basis from

the date the assets are available for use. Straight line method has been adopted for providing depreciation on fixed assets. The assets are depreciated over the useful life as prescribed in Schedule II of The Companies Act, 2013. The useful lives have been determined based on Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period and the effects of changes in estimates if any are accounted at the end of each reporting period. Gains and Losses on disposal are determined by comparing proceeds with carrying amount and these are included in the Statement of Profit and loss.

(e) Intangible Assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for in the financial statements on a prospective basis. Intangible assets with Indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. An intangible asset is derecognised upon its sale or when no future economic benefits are expected to arise. Gains/ losses arising upon such derecognition are charged to the profit or loss account as a differential figure between net disposal value and carrying value in books. On transition to IND AS, the Company has elected to continue with the carrying value of intangible assets recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(f) Business Combinations and goodwill:

Business combinations have been accounted for using the acquisition method under the provisions of IND AS 103, Business Combinations.

Merger with Sree Mahalakshmi Smelters Private Limited:

The ultimate holding company, Indsil hydro Power and Manganese Limited on 01st April 2018, acquired by way of merger (business combination between entities under common control), the entire assets and liabilities of its Subsidiary Company, Sree Mahalakshmi Smelters Private Limited and obtained approval of the National Company Law Tribunal vide order no. CP/712/CAA/2019, dated 7th August 2019 & 13th August 2019. Accordingly, the financial statements for the year ended 31st March, 2020 presents the incomes, expenditures, assets and liabilities of the merged entity. Attention is brought to the fact that, the pooling of interest method under IND AS 103 provides that where a business combination takes place after the date of transition, the prior period information shall be restated only

from that date.

Business combination between entities under common control is accounted for at fair value. Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

As provided in the IND AS 103 – for business combinations, the Company accounts for business combinations involving entities or businesses under common control using the pooling of interests method. The ‘Pooling of Interest’ method is considered to involve the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies
- The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date. The consideration for the business combination may consist of securities, cash or other assets. Securities shall be recorded at nominal value. In determining the value of the consideration, assets other than cash shall be considered at their fair values. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

(g) Impairment of assets:

The Group, on a periodical basis reviews the carrying

value of assets to check for indications of impairment in its tangible as well as intangible assets. An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognised as an impairment loss.

(h) Financial Instruments:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than Financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Non – Derivative financial instruments:

Non derivative financial instruments consist of financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, employee and other advances, investments in equity and debt securities and eligible current and non-current assets. Financial assets are derecognised when substantial risks and rewards of ownership of financial assets have been transferred or when the entity does not retain control over the financial asset.

Financial liabilities includes long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities. Non – Derivative financial instruments are initially recognised at fair value. Subsequent recognition of financial instruments is as follows:

Cash & Cash Equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Investments:

Financial instruments measured at amortised cost:

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated at fair value through Profit or Loss

(FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Financial instruments measured at fair value through other comprehensive income (FVTOCI): Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. Interest income is recognised in statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed - off, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss

Financial instruments measured at fair value through profit or loss (FVTPL): Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss. Interest income is recognised in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments designated to be classified as FVTOCI:

The Company carries investment in equity instruments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognised in other comprehensive income and the gain or loss is not reclassified to statement of profit and loss on disposal of these investments. Dividends from these investments are recognised in statement of profit and loss when the Company's right to receive dividends is established.

Investments in subsidiaries : Investments in subsidiaries

are measured at cost less impairment. The Company has availed the optional exemption under “Ind AS 101 First time Adoption of Indian Accounting standards” with respect to Investments in subsidiaries, joint ventures and associates. Accordingly, the previous GAAP carrying amount of such investments as on transition date has been taken as deemed cost.

Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

Trade and other payables:

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

Derivative financial instruments:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counter party is primarily a bank. Derivatives are recognised and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss as cost. Subsequent to initial recognition, derivative financial instruments are measured as described below:

Cash Flow hedges:

Changes in the fair value of a cash flow - derivative hedging instrument is recognised in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. Where the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective

remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognised in the statement of profit and loss.

Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign Currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense

Derecognition of financial instruments:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company’s balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Foreign Exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in ‘Other income’. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Impairment of financial assets:

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract

and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months. If the group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

(l) Valuation of Inventories:

Inventories such as raw materials and stores are valued at cost on a weighted average basis while the finished goods and work-in-progress are valued at costs (incl. overheads as apportioned) or net realizable value whichever is lower. In case of goods in transits, cost represents the cost incurred up to the stage at which the goods in transit. The cost of finished goods includes raw material costs, direct labour costs, proportionate fixed and variable overheads costs while the raw materials costs consists of the purchase costs. Note No. 2.23 & 2.04 contains details about the consumption of materials during the year and the closing balance of inventories as on 31st March 2020.

(j) Translation and Recognition of Foreign Currency Transactions:

The transactions entered into by the Company that are in a currency other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

(k) Revenue Recognition:

- a) Revenue is measured at the fair value of the consideration received or receivable and Sales of goods are recognized when the risk and rewards of ownership are passed on to customers, which is generally on dispatch of goods. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances and rebates. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.
- b) Accrual basis of accounting is followed by the Company for all regular sources of income and expenses.
- c) Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
- d) Dividend, Interest, Lease Rent other income are accounted on accrual basis except those items with significant uncertainties
- e) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, reference to principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- f) Export incentives are recognised when the right to receive payment/credit is established and no significant uncertainty as to measurability or collectability exists. Revenue from carbon credits/ REC entitlements are

recognised on delivery thereof or sale of rights therein, as the case may be, in terms of the contract with the respective buyer.

- g) **Borrowing Costs:** Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
- h) **Dividends:** Liability for interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors. Final dividend on shares is recorded as a liability on the date of approval by the shareholders at the annual general meeting.
- i) **Earnings per share:** Basic Earnings per share is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year.
- j) **Diluted Earnings per share:** is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of equity shares including potential equity shares.
- k) **Finance Costs:** Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.
- l) **Other Income:** Other income comprises interest income on deposits, dividend income and gains / (losses), net, on disposal of investments. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

m) Employee Benefits:

- **Short term employees benefits:**

For benefits accruing to employees in respect of wages and salaries, annual leave and other short term benefits, the liability is recognized in the period in which the related service is rendered and when such benefits accrue to the employees in exchange of that service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

- **Post-Employment and pension plans:** The Company participates in various employee benefit plans. Pensions

and other post-employment benefits are classified as either defined contribution plans or defined benefit plans.

- The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Actuarial gains or losses are immediately recognized in other comprehensive income, net of taxes and permanently excluded from profit or loss. Further, the profit or loss will no longer include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income, net of taxes.

The Company has the following employee benefit plans: Provident Fund: Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Company while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return. Gratuity: In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the third-party fund managers. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognises actuarial gains and losses in other comprehensive income, net of taxes.

Termination Benefits: Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits.

(r) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current tax on income:

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period, taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at their reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities

and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and Deferred tax for the year: Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax on undistributed earnings: When only a portion of undistributed earnings is remitted to the parent entity by its subsidiary, the parent recognize a deferred tax liability only for the portion of the undistributed earnings expected to be remitted in the foreseeable future. No deferred tax has been provided for the undistributed earnings of the wholly owned subsidiary group as these are considered permanently employed in the business of the group.

Deferred Tax on Unrealised Profits: The intra group elimination is made as a consolidation adjustment and not in the financial statements of any individual reporting entity. Therefore, the elimination will result in the creation of a temporary difference, as far as the group is concerned, between the carrying amount of the inventories in the consolidated financial statements and the tax base (assumed to be the carrying amount in the purchaser's individual financial statements). The deferred tax effects arising in respect of this temporary difference is recognised. The tax rate used while recognising the deferred tax balance arising from the elimination of unrealised profits on intra group transactions is determined by reference to the tax rate in the purchaser's jurisdiction where the temporary difference will reverse.

(s) Provisions, contingent liabilities and contingent assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes to financial statements. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable. Provisions, contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations, legal or constructive, arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

(t) Statement of cash flows and cash & cash equivalents:

Cash Flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash

flows. For the purpose of presentation of statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short – term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

U) Leases:

As a lessee: Leases where significant risks and rewards of ownership are not transferred to the Company are called Operating leases. Payments for operating leases (net of any incentives received by the lessor) are charged to the profit or loss on a straight – line basis over the period of the lease as per the lease arrangement.

2.32 CONTINGENT LIABILITIES

S.No.	Particulars	As at 31.03.2020	As at 31.03.2019
a)	Letters of Credit issued by Banks on behalf of the Company		9,32,18,625
b)	Guarantees issued by Banks on behalf of the Company	1,85,00,056	2,65,91,250
c)	Corporate guarantee given in respect of Term loan		-

- d) In the past, the Kerala State Electricity Board has raised certain demands on the Company relating to payment of electricity charges and other charges on account of working of the hydro electric power division of the Company. These charges were more than that warranted for, when specifically considering the working agreement between the Company and KSEB for operation of the hydro electric power plant. These demands remain in dispute and have been challenged by the Company in various forums including the Hon'ble High Court of Kerala. Such matters remain sub - judice and in some cases, where necessary, pending judgement, adequate provisions have been made. The Company is confident of positive redressal by the appropriate forums where no provisions has been made and in cases where the Company has deposited sums/advances, pending judgements, it is expected that those sums would be refunded.
- e) The Case pertains to levy of electricity duty on the self generation of Unit between year 2005 to 2015. It is also questioned on the power of the State on the levy of duty on self generation. The case is in the High Court and the Company has obtained a stay on recovery.
- f) There are also case relating to VAT for which the Company has obtained stays from the High Court of Kerala.

2.33 DISCLOSURE ON "EMPLOYEE BENEFITS" AS PER IND AS 19:

Particulars	2019-20	2018-19
Present Value of obligations at the beginning of the year	1,59,72,646	1,56,69,235
Business Combination		
Current service cost	7,11,641	7,42,518
Interest Cost	9,86,383	11,93,996
Re-Measurement (Gains)/losses:		
Actuarial gains and losses arising from change in Demographic assumption	-	(44,966)
Actuarial gains and losses arising from change in financial assumption	5,05,235	(10,30,743)
Actuarial gains and losses arising from experience adjustment	(7,43,680)	(5,57,392)
Benefits paid	(4,76,676)	
Present Value of obligations at the end of the year	1,69,55,549	1,59,72,648
Changes in the fair value of planned assets		
Fair Value of plan assets at beginning of the year		
Interest Income		
Return on plan assets		
Contributions from the employer		
Benefits paid		
Fair Value of plan assets at end of the year		
Amounts recognised in the Balance sheet		
Projected benefit obligation at the end of the year		
Fair value of plan assets at the end of the year	1,69,55,549	1,59,72,648
Funded status of the plans - Liability recognised in the balance sheet	1,69,55,549	1,59,72,648
Components of defined benefit cost recognised in the profit or loss / Other Comprehensive Income		
Current service cost	7,11,641	7,42,518
Net Interest Expense	9,86,383	11,93,996

Particulars	2019-20	2018-19
Components of defined benefit cost recognised in Other Comprehensive Income		
Comprehensive Income		
Re-measurement on the net defined benefit liability:		
Actuarial gains and losses arising from change in financial assumption	5,05,235	(10,30,743)
Actuarial gains and losses arising from experience adjustment	-	(5,57,392)
Return on plan assets		
Net cost in Other Comprehensive Income	(7,39,373)	3,48,379

2.34 RELATED PARTY DISCLOSURES

a) Other Related Entity	Sunmet Holdings India Private Limited , Sunkorp, Mahaveers Saree Private Limited, Eleven Commodities LLP.
b) Key Management Personnel	Sri. Vinod Narsiman – Managing Director Sri. K Ramakrishnan- Whole Time Director Sri. S.Mahadevan(Company Secretary- up to 25.6.2020) Sri. R.Murali(Chief Financial Officer)
c) Relatives of Key Management Personnel	Sri S N Varadarajan – (F/o Vinod Narsiman) Smt. D.Pushpa Varadarajan- (M/o Sri Vinod Narsiman), Sri. Vishwaa Narsiman - (S/o Sri.Vinod Narsiman), Sri. Rudra Narsiman - (S/o Sri.Vinod Narsiman)

Particulars	Other Related Entity		Key management Personnel		Relatives of Key Management Personnel	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Current Year - (31.03.19)						
Sales of Raw Material *	-	-	-	-	-	-
Purchase of Raw Material	13,40,20,212	9,22,31,014	-	-	-	-
Purchase of Finished Goods*	-	-	-	-	-	-
Sales of property and other Assets	-	-	-	-	47,63,347	-
Sales of Finished Goods *	1,93,62,030	1,50,66,240	-	-	-	-
Rent paid	44,03,431	47,91,251	-	90,000	7,04,000	6,78,000
Rent received	82,600	-	-	-	-	-
Directors' Sitting Fees	-	-	75,500	47,500	90,000	2,15,000
Commission paid to Directors	-	-	-	-	-	6,00,000
Managerial Remuneration	-	-	68,53,246	67,56,572	6,95,150	62,244
Loan Receipts (Borrowings)	12,00,00,000	12,00,00,000	-	-	-	-
Dividend Received	-	-	-	-	-	-
Dividend Paid	1,50,00,000	-	-	-	-	-
Interest Paid	1,54,19,177	72,72,327	-	-	-	-
Commission paid to Directors	-	-	-	9,00,000	-	-
Balances outstanding	(19,91,72,814)	(20,16,38,604)	(55,17,426)	(1,44,68,437)	(1,57,46,234)	(1,13,844)

* Sale and Purchase of Raw material and Finished goods is carried out between related entities at arms length basis adopting fair accounting standards with the prior approval of the Audit Committee.

2.35 INVESTMENT IN MUTUAL FUNDS

Particulars		Balance as on 1.4.2019	Purchased/ Reinvested during the year	Redeemed during the year	Balance as on 31.03.2020
DSP BlackRock Money Manager Fund	Value `	6,17,996		6,17,996	-
	Units	254		254	-
SBI Magnum Insta Cash Fund - Regular	Value `	82,72,576	65,00,000	1,47,72,576	-
	Units	2,038	1,520	3,558	-
Total (Rs.)	Value `	88,90,572	65,00,000	1,53,90,572	-

2.36 As of 31st March, 2020 the following are the details of Derivative contracts.

Value of Forward Contract Unexpired Contract	Value in 2020 (Rs.)	Value in 2019 (Rs.)
- Export	-	5,22,30,666
- Import	-	-

2.37 All figures are in Rupees unless otherwise stated.

2.38 (i) Attention is brought to the fact that the Holding Company, Indsil Hydro Power and Manganese Limited has been merged with Sree Mahalakshmi Smelters Private Limited vide NCLT order no. CA/485/CAA/2018 effective date of merger being 1st April, 2018.

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

As per our report of even date
For RAJA & RAMAN
 Chartered Accountants
 Firm Registration No : 003382S

K.R.RAMAN
 Partner
 Membership No. 19715

Place : Coimbatore
 Date : 30.07.2020

For and on Behalf of the Board

VINOD NARSIMAN
 Managing Director
 DIN : 00035746

K.RAMAKRISHNAN
 Whole-Time Director
 DIN : 02797842

S.VARADARAJAN
 Director
 DIN : 08744090

R.MURALI
 Chief Financial Officer

