



Date: 04.12.2020

To,
The Manager
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400001

Dear Sir/ Madam,

Sub: Submission of Annual report for the FY 2019-20

In compliance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015, we are herewith submitting Annual Report of the Company.

This is for the information and records of the Exchange, please.

Yours faithfully,
For MSR India Limited

Abhilash

T. Abhilash
CS & Whole Time Director
(DIN: 06725012)



ISO 9001:2015
ISO 14001:2015
ISO 14001:2018



Unit-I: Jeedimetla ;
Unit-II: Bachupally ;
Unit-III: Chetlapotharam

☎ 9100463129 ✉ info@msrindia.in

🌐 www.msrindia.in 🌐 www.drcopper.in

CIN - L15122TG2002PLCO39031

MSR INDIA LIMITED

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

Unit III: Sy No 42/A, Chetlapotharam (V), Jinnaram (M),
Sangareddy (Dt), Hyderabad - 502319, India



37th Annual Report
2019-2020

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gundala Raju	-	Director (DIN: 01742710)
Mr. Abhilash Tumula	-	Whole Time Director cum CS(DIN:06725012)
Ms. Somala Bharathi	-	Director (DIN: 07669720)
Mr. Arjun Kumar Saladi	-	Director (DIN: 08444944)

REGISTERED OFFICE

MSR India Limited
Plot No-D-16, Road No-73,
Phase-IV, IDA, Jeedimetla
Hyderabad – Telangana 500055

STATUTORY AUDITORS

M/s. Annadevara Associates.,
Chartered Accountants
40-15-3,1st Floor,
Brindavan Colony, Labbipet
Vijayawada-520010 Andhra Pradesh

INTERNAL AUDITOR

Ms. Swathi
Plot No-D-16, Road No-73,
Phase-IV, IDA, Jeedimetla
Hyderabad – Telangana 500055

SECRETARIAL AUDITOR

Ms.Aakanksha Shukla
Practicing Company Secretary
2nd Floor, HSR Summit, Road No. 10
Banjara Hills, Besides TV 1 Office,
Hyderabad – 500033.

CORPORATE IDENTITY NUMBER

L15122TG2002PLC039031

AUDIT COMMITTEE

Mr. S Arjun Kumar	-	Chairman
Mrs.S. Bharathi	-	Member
Mr. Gundala Raju	-	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. S Arjun Kumar - Chairman
Mrs.S. Bharathi - Member
Mr. Gundala Raju - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. S Arjun Kumar - Chairman
Mrs. S. Bharathi - Member
Mr. Gundala Raju - Member

RISK MANAGEMENT COMMITTEE:

Mr. Abhilash Tumula - Chairman
Mrs. S. Bharathi - Member
Mr. Gundala Raju - Member

REGISTRAR & SHARE TRANSFER AGENTS

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

LISTED AT

BSE Limited.

DEMAT ISIN NUMBER IN NSDL& CDSL:

INE331L01026

WEBSITE

www.msringia.in

INVESTOR E-MAIL ID

info@msringia.in

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Shareholders of M/s. MSR India Limited will be held on Saturday, the 26th day of December 2020 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2020, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint M/s. M.M.Reddy & Co., as Statutory Auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and based on the recommendations of the Audit Committee and of the Board, the appointment of M/s. M.M.Reddy & Co., Chartered Accountants, Hyderabad (Firm Registration No. 010371S), be and is hereby appointed as Statutory Auditors of the Company in place of the resignation of auditors M/s. Annadevara Associates., Chartered Accountants, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company to be held in the year 2025, at such remuneration and other terms as specified in the explanatory statement, approved by the Board of Directors of the Company on the recommendation of the Audit Committee.

“RESOLVED FURTHER THAT Mr. Abhilash Tumula, Whole Time Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto

For and on behalf of the Board of
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
Abhilash Tumula
Whole Time Director
(DIN: 06725012)

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. 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.
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. 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) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e- Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The 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 to at least 1000 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.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.msindia.in. The Notice can also be accessed from the websites of the BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
9. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 20.12.2020 to 26.12.2020 (both days inclusive) for the purpose of AGM.
11. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable
12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Venture Capital and Corporate Investments Private Limited)
13. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further The Ministry of Corporate Affairs (vide circular nos. 17/ 2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail

addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Venture Capital and Corporate Investments Private Limited., Share Transfer Agents of the Company for their doing the needful.

14. As per SEBI Notification No. SEBI/LAD-NRO/ GN/2018/ 24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
15. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
16. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
17. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. Instructions for e-voting and joining the AGM are as follows:

A. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the

Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

II. The remote e-voting period commences on Wednesday, December 23, 2020 (9:00 a.m. IST) and ends on Friday, December 25, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, December 19, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.

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

IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

V. The details of the process and manner for remote e-voting are explained herein below:

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

vii. After entering these details appropriately, click on "SUBMIT" tab.

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

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired.

The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

B. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER: -

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are 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 available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

C.NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and

Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address: ssrfcs@gmail.com and to the Company at the email address viz;.com cfo@msrindia.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING:

- (i) For Physical shareholders - please provide necessary details like 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 Company/RTA email id.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company/ RTA email id.
- (iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

E. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.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 EVSN of Company will be displayed.
 - b) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - c) Further shareholders will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d) 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.
 - e) Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id viz; cfo@msrindia.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

22. Ms. Aakanksha, Practicing Company Secretary, bearing C.P. Number 20064 has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's

Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.msrintia.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

For and on behalf of the Board of
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
Abhilash Tumula
Whole Time Director
(DIN: 06725012)

EXPLANATORY STATEMENT

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

ITEM NO.2:

M/s. M.M Reddy and Co, Chartered Accountants, ('the firm') was constituted in the year 2003 having firm registration no. 0 I 0371 S. has its office spread in various states such as Telangana, Andhra Pradesh, Karnataka and having associate offices at Dubai, Singapore and Hong Kong. The registered office of the firm is at 4th Floor, MMR Lion Corp, HSR Eden, Road Number 2. beside Cream Stone, Banjara Hills, Hyderabad-500034. The Audit Firm also has valid Peer Review certificate.

M/s. M.M Reddy and Co, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the company along with the confirmation that, their appointment, if approved by the shareholders, would be within the limits prescribed under the Companies Act, 2013.

Considering the above and their eligibility to be appointed as the statutory auditor for term of five (5) years under the applicable provisions of Guidelines issued by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Board of Directors, Pursuant to recommendation of the Board Audit Committee, had approved the appointment of M/s.M.M Reddy and Co, as a statutory auditor for term of five (5) years.

In terms of requirements of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended effective April 1, 2019, details of proposed remuneration and credentials of the Statutory Auditors are provided below:

a) It is proposed to pay remuneration of Rs.1,00,000/- towards statutory audit and Rs. 50,000/- towards quarterly standalone financial results and limited review reports along with the issuance of certificates in accordance with guidelines laid down by SEBI and Companies Act, 2013 for financial year 2020-21 aggregating to Rs.1,50,000/- plus applicable taxes along with out-of-pocket expenses and such remuneration and expenses thereafter as may be mutually agreed between the Company and the said Statutory Auditors.

b) There is no material change in the fees payable to and M/s. M.M Reddy Co, Chartered Accountants from the fees paid to outgoing Auditors M/s. Annadevara Associates., Chartered Accountants.

c) M/s.M.M Reddy Co, is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm registration Number 0 I 0371 S. The firm is empaneled with Indian Banks Association (IBA), State Bank of India (SBI) and Bank of India (801) for Forensic Audits. Empaneled with SBI, 801 & Corporation bank for Stock Audits. Empaneled with 108, Andhra Bank & Vijaya Bank for Concurrent Audits.

d) The firm contain qualified professionals with specializations in various fields like Information Systems Audits, Forensic Audits, Insolvency Professionals, Concurrent Audits and Stock Audits in addition to regular professional Assignments.

Your Board of Directors recommend to pass the resolution for appointment of Statutory Auditors, as an Ordinary Resolution as set out at item no. 2 of the Notice.

None of the Directors, Key Managerial Personnel and their relatives are in any way, interested or concerned in this resolution.

For and on behalf of the Board
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
Abhilash Tumula
Whole Time Director
(DIN: 06725012)

DIRECTOR'S REPORT

**To
The Members,
MSR India Limited**

The Directors have pleasure in presenting before you the Director's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

1. Financial summary/highlights:

The performance during the period ended 31st March, 2020 has been as under:
(Amount in Lakhs)

Particulars	Standalone	
	2019-20	2018-19
Turnover/Income (Gross)	5013.17	16991.87
Other Income	10.16	11.22
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	659.66	645.41
Less: Depreciation/ Amortisation/ Impairment	289.53	311.81
Profit /loss before Finance Costs, Exceptional items and Tax Expense	370.13	333.40
Less: Finance Costs	366.93	231.09
Profit /loss before Exceptional items and Tax Expense	3.20	102.51
Add/(less): Exceptional items		--
Profit /loss before Tax Expense	3.20	102.51
Less: Tax Expense (Current & Deferred)	0.09	52.64
Profit /loss for the year (1)	3.29	49.87
Total Comprehensive Income/loss (2)	--	--
Total (1+2)	3.29	49.87
Balance of profit /loss for earlier years	3.29	49.87
Less: Transfer to Debenture Redemption Reserve	--	--
Less: Transfer to Reserves	--	--
Less: Dividend paid on Equity Shares	--	--
Less: Dividend paid on Preference Shares	--	--

Less: Dividend Distribution Tax	--	--
<i>Balance carried forward</i>	3.29	49.87

2. Overview & state of the company's affairs:

The Directors wish to report that your company has achieved the turnover of Rs. 5023.34 Lakhs and Profit of Rs. 3.29 Lakhs as against the income of Rs.17003.09 Lakhs and profit of Rs. 49.87 Lakhs in the previous financial year ending 31.03.2019.

3. Dividend:

Keeping the Company's growth plans in mind, your Directors have decided not to recommend dividend for the year.

4. Transfer to reserves:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

5. Material changes & commitment affecting the financial position of the company:

There have been no material changes and commitments affecting the financial position of the Company which have occurred during the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

6. Significant & material orders passed by the regulators or courts or tribunals:

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

7. Transfer of un-claimed dividend and shares transferred to Investor Education and Protection:

There is no such amount of Un-paid or Unclaimed Dividend and shares transferred be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2020.

8. Details of utilization of funds:

During the year under review, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation

32(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Revision of financial statements:

There was no revision of the financial statements for the year under review.

10. Change in the nature of business, if any:

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

11. Details of Nodal Officer:

The Company has designated Mr. T.Abhlash as a Nodal Officer for the purpose of IEPF.

12. Deposits from public:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2020 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet. Since the Company has not accepted any deposits during the Financial Year ended March 31, 2020, there has been no non-compliance with the requirements of the Act.

13. Depository System:

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

14. Independent director's familiarization programmes:

Independent Directors are familiarized about the Company's operations and businesses and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with

the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019- 20 are also disclosed on the Company's website and its web link is <http://www.msindia.in>

15. Board Evaluation

The Board of Directors of the Company carried out annual evaluation of its own performance, Committees of the Board and individual Directors pursuant to various provisions under the Act, Regulation 17, 19 and Schedule II of the Listing Regulations, the SEBI circular dated January 5, 2017, circular dated January 10, 2019, which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note") and SEBI circular dated February 5, 2019

The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The procedure followed for the performance evaluation of the Board, Committees and individual Directors is enumerated in the Corporate Governance Report.

16. Number of Board the Meetings:

During the year, Five (5) meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meeting, attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

17. Committees of the Board

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship and Risk Management Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance thereat of these Committees during the year has been enumerated in Corporate Governance report.

18. Audit Committee Recommendations:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

19. Directors and key managerial personnel:

As on date of this report, the Company has Four Directors, out of those three are Independent Directors including one Woman Independent Director.

20. Statutory audit and auditors report:

The existing auditors M/s. Annadevara Associates resigned at the ensuing Annual General Meeting on before expiry of 5 years term. Accordingly, the appointment of M/s. M.M.Reddy & CO., as statutory auditors of the Company, in place of resigned auditors is placed for approval by the shareholders. The Auditors' Report for fiscal 2020 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for audited financial results of the Company for the Financial Year ended March 31, 2020 from the statutory auditors of the Company

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

21. Internal auditors:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; Ms. Swathi, were appointed as Internal Auditors of the Company for the Financial Year 2019-20.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

The Board has appointed Ms. Swathi, Hyderabad as Internal Auditors for the Financial Year 2020-2021.

22. Secretarial Auditor & Audit Report:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed Ms. Aakanksha, Practicing Company Secretaries (CP No. 20064) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2020

The Secretarial Audit was carried out by Ms. Aakanksha, Practicing Company Secretaries (CP No. 20064) for the financial year ended March 31, 2020. The Report given by the Secretarial Auditor is annexed herewith as **Annexure-I** and forms integral part of this Report.

23. No Frauds reported by statutory auditors

During the Financial Year 2019-20, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

24. Declaration by the Company

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2020.

25. Annual Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. Further, Secretarial Compliance Report dated June 25, 2020, was given by M/s. S.S. Reddy & Associates, Practicing Company Secretary which was submitted to Stock Exchanges within 60 days of the end of the financial year.

The Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

26. Capital of the company:

The Authorized Share Capital of the Company is Rs. 32,00, 00, 000 (Rupees Thirty-Two Crores only) divided into 6,40,00,000 equity shares (Six Crore Forty Lakhs only) of Rs. 5/- each only. The Paid –up capital of the company is Rs. 31, 44, 00,000 (Rupees Thirty-one Crores Forty-four Lakhs only) divided into 6, 28, 80,000 equity shares (Six Crore Twenty-Eight Lakhs Eighty Thousand only) of Rs.5/- each.

27. Conservation of energy, technology absorption and foreign exchange outgo:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder and Rule 8 of Companies (Accounts) Rules, 2014:

A. Conservation of Energy:

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

Power:	2019-20	2018-19
No. of Units consumed	28,95,535	17,25,727
Unit Rate (Rs.)	8.62	7.80
Total Amount (Rs.)	2,49,79,152	1,36,15,968
Fuel:		
No. of Units Consumed (Ltrs)	32854	28493
Unit Rate (per Ltr.) (Rs.)	75.68	65.93
Total Amount (Rs.)	24,86,391	18,65,038

B. Technology Absorption:

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

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: Rs.25.00 lacs
2. Foreign Exchange Outgo: Nil

28. Management discussion and analysis report:

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure- 2** to this report.

29. Risk management policy:

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

30. Corporate governance:

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Regulations. A separate section

on Corporate Governance, forming a part of this Report and the requisite certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

31. Code of Conduct for Prevention of Insider Trading :

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and Amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website ([https:// www. Msrindia.in](https://www.Msrindia.in))

32. Extract of Annual Return:

As provided under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 and Pursuant to Notification GSR 538 (E) dated 28.08.2020 and Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is available on the Company's website URL: <https://www.msrindia.in>

33. Disclosure of internal financial controls:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

34. Declaration by the Company:

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2020

35. Directors and key managerial personnel:

Key Managerial Personnel for the financial year 2019-20

- Mr. T. Abhilash Rao, Whole Time Director cum Company Secretary of the company.
- Mr. Durga Adi Deva Vara Prasad Challa, Chief financial officer of the company.

36. Declaration of independence:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

The Independent Directors have individually confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations and confirmations of the Independent Directors and after undertaking due assessment of the veracity of the same, the Board of Directors recorded their opinion that all the Independent Directors are independent of the Management and have fulfilled all the conditions as specified under the governing provisions of the Companies Act, 2013 and the Listing Regulations.

37. Director's Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that: -

- a) in the preparation of the annual accounts for the financial year ended 31 March 2020, the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on 31 March 2020 and of the profit and loss of the Company for the financial year ended 31 March 2020;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

38. Vigil Mechanism/Whistle Blower Policy:

The Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The policy provides for adequate safeguards against the victimisation of the employees who use the vigil mechanism. The details of establishment of such mechanism has been disclosed on the website www.msfindia.in.

39. Secretarial Standards:

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

40. Insurance:

The properties and assets of your Company are adequately insured.

41. Particulars of loans, guarantees or investments:

The year under review, the Company has not given any loans or corporate guarantee or provided any security during the year. Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

42. Credit & guarantee facilities:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Canara Bank and Bank of Baroda Personal Guarantee was given by the Mr. K.V. Rajasekhar without any consideration for obtaining Bank cash credit facilities.

43. CEO/CFO Certification:

As required Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is attached with the annual report as **Annexure J**.

44. Related Party Transactions:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2019-20, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure- 4** to this report.

45. Declaration of independence:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations attached as **Annexure G**.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the PIDs of the Company have registered themselves with the India Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline. They have also confirmed that they will appear for the online proficiency test within a period of one year, wherever applicable.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

46. Cost Records and Cost Audit:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

47. Policy on director's appointment and remuneration:

In adherence to the provisions of Section 134(3)(e) and 178(1) & (3) of the Companies Act, 2013, the Board of Directors upon recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The said Policy extract is covered in Corporate Governance Report which forms part of this Report and is also uploaded on the Company's website at www.msrandia.in.

48. Particulars of Employees and related Disclosure:

Disclosure pertaining to remuneration and other details as required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure-5** to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of section 136 of the Companies Act, 2013 the said annexure is open for inspection at the registered office of the Company during the working hours. Any member interested in obtaining a copy of the same may write to the Company

49. Failure to implement corporate actions:

During the year under review, no corporate actions were done by the Company.

50. Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016.

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

51. Statutory compliance:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

52. Secretarial Standards:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

53. Non-executive directors’ compensation and disclosures:

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

54. Industry based disclosures as mandated by the respective laws governing the company:

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

55. Prevention of sexual harassment at workplace:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace. This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at www.msindia.in.

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment. During the year under review, there were no Complaints pertaining to sexual harassment.

56. Green Initiatives:

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 37th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

57. Event based disclosures:

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

- a. Issue of sweat equity share:** The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section-54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
- b. Issue of shares with differential rights:** The Company has not issued any shares with differential rights and hence no information as per provisions of Section-43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
- c. Issue of shares under employee's stock option scheme:** The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section – 62 (1) (b) of the Act read with Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014.

- d. Non- Exercising of voting rights:** During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section-67(3) of the Act read with Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.
- e. Buy back shares:** The Company did not buy-back any shares during the period under review.
- f. Preferential Allotment of Shares:** The Company did not allot any shares on preferential basis during the period under review.

58. Acknowledgements:

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

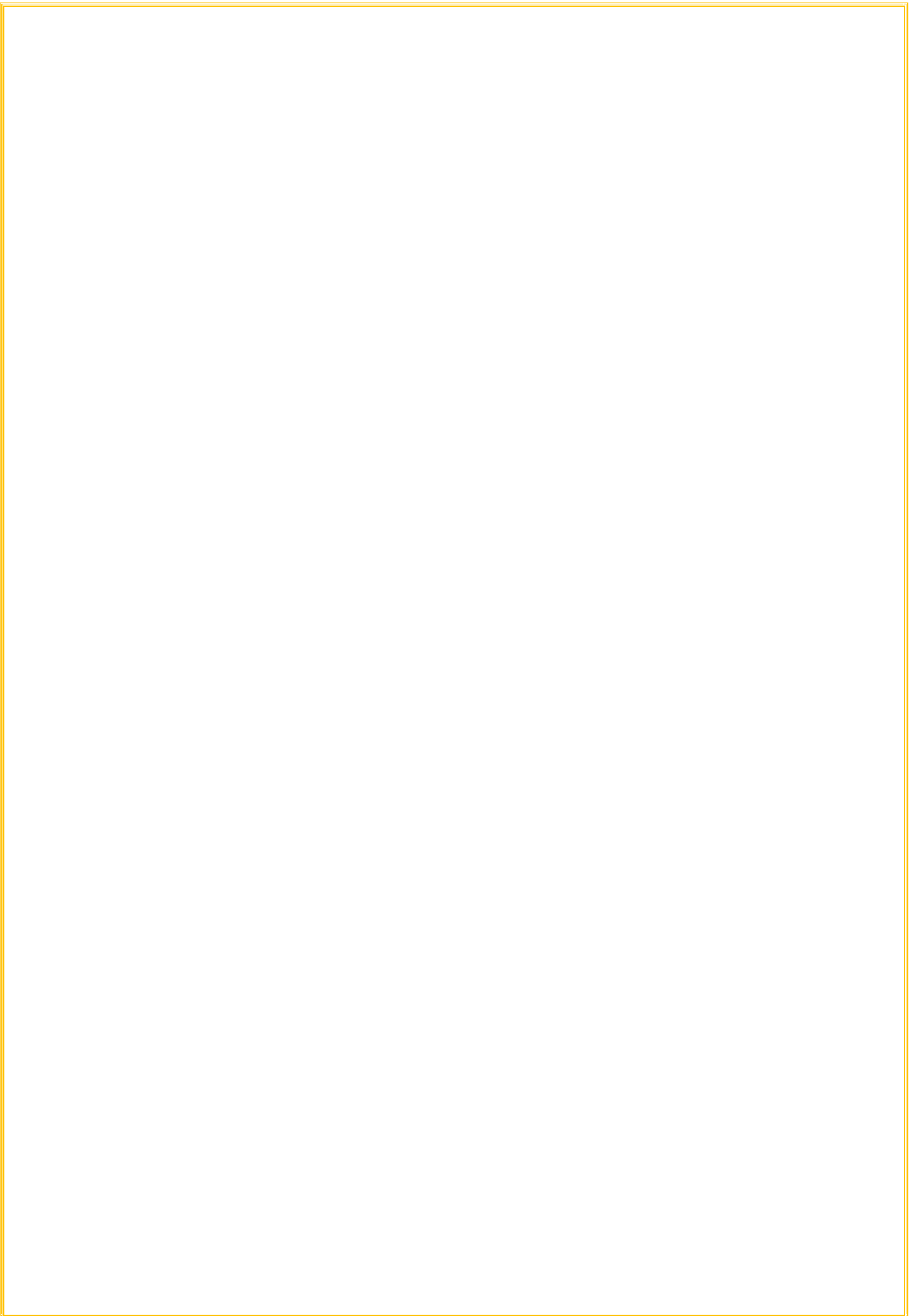
Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL, etc and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board of
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
Gundala Raju
Director
(DIN: 01742710)

Sd/-
Abhilash Tumula
Whol Time Director
(DIN: 06725012)



DECLARATION PURSUANT TO SCHEDULE V OF THE LISTING REGULATIONS

In accordance with Regulation 26 (3) and Schedule V of the Listing Regulations with the Stock Exchanges, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31st March 2020

For and on behalf of the Board
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
T. Abhilash
Whole Time Director
(DIN: 06725012)

To
The Members
MSR India Limited
Hyderabad

Sub: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

I, Aakanksha, Practicing Company Secretary, have examined the Company and Registrar of Companies records, books and papers of M/s. **MSR India Limited** (CIN: L15122TG2002PLC039031) having its Registered Office at Plot No-D-16, Road No-73, Phase-IV, IDA, Jeedimetla Hyderabad, Telangana-500015 (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on March 31, 2020.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on March 31, 20120:

List of Directors of the Company as on 31st March, 2020

S. No	DIN No	Name of the Director	Designation
1.	01742710	Mr. Gundala Raju	Independent Director
2.	06725012	Mr.Abhilash Tumula	Whole Time Director
3.	07669720	Mr.Somala Bharathi	Independent Director
4.	08444994	Mr.Arjun Kumar Saladi	Independent Director

Sd/-

Place: Hyderabad
Date: 06.11.2020

Aakanksha
Practicing Company Secretary
C. P. No: 20064

CERTIFICATE BY THE WHOLE TIME DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
MSR India Limited

Dear Sirs,

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

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2020 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

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

Place: Hyderabad
Date: 06.11.2020

Sd/-
T.Abhilash
Whole Time Director
(DIN: 06725012)

Sd/-
Ch.D A D V Prasad
(CFO)

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

To,

The shareholders

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

For and on behalf of the Board
MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
T.Abhilash
Whole Time Director
(DIN: 06725012)

FORM MR-3
SECRETARIAL AUDIT REPORT
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

To
The Members of
M/s. MSR India Limited
Plot No-D-16, Road No-73,
Phase-IV, IDA, Jeedimetla,
Hyderabad, Telangana-500015

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2019 and ended 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2020 according to the provisions of:
 - a) The Companies Act, 2013 (the Act) and the rules made there under;
 - b) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - c) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
 - d) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.msringia.in**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- **Not Applicable as there was no reportable event during the financial year under review;**
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable as the Company has not issued any debt securities during the year under review.**
 - e. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2019; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
 - h. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any ESOPS during the year under review.**
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - j. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
3. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company: -

- a. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.
- b. Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations) Regulations 2018.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

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

Rules, Regulations, Guidelines, etc. except mentioned below.

- **The company is under GST Investigation**

During the period under review, the Company has complied with the provisions of the Act,

5. I, further report that:

- a. The Company has not appointed key managerial personnel (Company Secretary & Chief Financial Officer) in terms of Section 203 of the Companies Act 2013 and rules made there under.
6. During the year the Company has conducted 5 meetings of the Board of Directors, 4 meetings of the Audit committee, 4 Meetings of Stakeholder Relationship Committee, 2 Meetings of Nomination & Remuneration Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
 - a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
 - (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the Company under the financial year under report;

- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the Company under the financial year under report.

(ii) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

7. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
8. Adequate notice of board meeting is given to all the Directors along with agenda 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 meaningful participation at the meeting.
9. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
10. 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 applicable laws, rules, regulations and guidelines.
11. I further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Sd/-

Place: Hyderabad

Date: 06.11.2020

Aakanksha
Practicing Company Secretary
C. P. No: 20064

Annexure- A to Secretarial Audit Report

To
The Members of
M/s. MSR India Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Place: Hyderabad
Date: 06.11.2020

Aakanksha
Practicing Company Secretary
C. P. No: 20064

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors
M/s MSR India Limited

Sub: Declaration of Independence under Sub-Section (7) of Section 149 of the Companies Act, 2013 and in accordance with the Provisions of Sub-Regulation (8) of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Gundala Raju, hereby declare that I am an Independent Director of MSR India Limited and comply with all the criteria of Independent Director envisaged under Sub-section (6) of Section 149 read with IV of the Companies Act, 2013 and Sub-Regulation (b) of Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

I further certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. Apart from receiving director sitting fees/remuneration, I have/had no material pecuniary relationship /transactions, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
4. None of my relatives
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-(i), (ii) or (iii);

has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

5. Neither me nor my relatives

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of
 - (a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (c) holds together with my relatives 2% or more of the total voting power of the company; or.
 - (d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

6. I am not below the age of 21 Years.

7. I am not material supplier, service provider or customer or a lessor or lessee of the Listed Entity.

8. I am not a Non-Independent Director of another Company on the board of which any Non-Independent Director of the Listed Entity is an Independent Director.

Further I declare that pursuant to Provisions of Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 I have applied online with the Institute for inclusion of my name in the data bank and will qualify the online test within the due period of one year from application date.

Sd/-

Date: 30.07.2020

Place: Hyderabad

Gundala Raju
(Independent Director)

To
The Board of Directors
M/s MSR India Limited

Sub: Declaration of Independence under Sub-Section (7) of Section 149 of the Companies Act, 2013 and in accordance with the Provisions of Sub-Regulation (8) of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Somala Bharathi, hereby declare that I am an Independent Director of MSR India Limited and comply with all the criteria of Independent Director envisaged under Sub-section (6) of Section 149 read with IV of the Companies Act, 2013 and Sub-Regulation (b) of Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

I further certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. Apart from receiving director sitting fees/remuneration, I have/had no material pecuniary relationship /transactions, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
4. None of my relatives
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary,

or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub (i), (ii) or (iii);

(v) has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

5. Neither me nor my relatives

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of

(a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

(c) holds together with my relatives 2% or more of the total voting power of the company; or.

(d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

6. I am not below the age of 21 Years.

7. I am not material supplier, service provider or customer or a lessor or lessee of the Listed Entity.

8. I am not a Non-Independent Director of another Company on the board of which any Non-Independent Director of the Listed Entity is an Independent Director.

Further I declare that pursuant to Provisions of Section 150 of the Companies Act, 2013 read

with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 I have applied online with the Institute for inclusion of my name in the data bank and will qualify the online test within the due period of one year from application date.

Sd/-

Date: 30.07.2020

Place: Hyderabad

Somala Bharathi
(Independent Director)

To
The Board of Directors
M/s MSR India Limited

Sub: Declaration of Independence under Sub-Section (7) of Section 149 of the Companies Act, 2013 and in accordance with the Provisions of Sub-Regulation (8) of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Arjun Kumar Saladi, hereby declare that I am an Independent Director of MSR India Limited and comply with all the criteria of Independent Director envisaged under Sub-section (6) of Section 149 read with IV of the Companies Act, 2013 and Sub-Regulation (b) of Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

I further certify that:

1. I am/was not a promoter of the company or its holding, subsidiary or associate company;
2. I am/was not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. Apart from receiving director sitting fees/remuneration, I have/had no material pecuniary relationship /transactions, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
4. None of my relatives
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
- (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub- (i), (ii) or (iii);
- (v) has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

5. Neither me nor my relatives

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of
 - (a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (c) holds together with my relatives 2% or more of the total voting power of the company; or.
 - (d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

6. I am not below the age of 21 Years.

7. I am not material supplier, service provider or customer or a lessor or lessee of the Listed Entity.

8. I am not a Non-Independent Director of another Company on the board of which any Non-Independent Director of the Listed Entity is an Independent Director.

Further I declare that pursuant to Provisions of Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 I have applied online with the Institute for inclusion of my name in the data bank and will qualify the online test within the due period of one year from application date.

Sd/-

Date: 30.07.2020
Place: Hyderabad

Arjun Kumar Saladi
(Independent Director)

CORPORATE GOVERNANCE

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

1. Company's Philosophy on Code of Governance:

Company's endeavor is to maximize shareholder value. MSR India Ltd is committed to adopt best governance practices and its adherence in true spirit at all times. It has strong legacy of fair, transparent and ethical governance practices.

Company has adopted a code of conduct which is applicable to all employees and is posted on the website of the Company. The Company also has in place a code for preventing insider trading.

Company is fully compliant with the requirements of the listing regulations and applicable corporate governance norms and is committed to ensuring compliance with all modifications within the prescribed time.

2. Board diversity:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, www.msrintia.in

3. Compliance with SEBI (listing obligations and disclosure requirements) regulations, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company framed the following policies which are available on Company's website i.e. www.msrintia.in

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarization programme for Independent Directors
- Sexual Harassment Policy
- Related Party Policy
- Code of Conduct for Board of Directors and Senior Management Personnel

4. MSR code of conduct for the prevention of insider trading:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website www.msrandia.in

5. Board of Directors:

The composition of the Board of Directors of the company is an appropriate combination of executive and non-executive Directors with right element of independence. As on March 31, 2020, the Company's Board comprised of four Directors, One Professional Director. In addition, there are three independent Directors on the Board including one woman Director. In terms of Regulation 17(1) (b) of SEBI (LODR) Regulations, 2015 and section 149 of Companies Act 2013, the company is required to have one half of total Directors as independent Directors. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the non-executive Directors other than independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

6. Skills / Expertise / Competencies of the Board of Directors;

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a) Knowledge on Company's businesses (Manufacturing of Copper Bottles, Copper Bus Bars, Rods, Vermiselli), 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.
- b) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- c) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

d) Financial and Management skills.

e) Technical / Professional skills and specialized knowledge in relation to Company's business.

7. Re-appointment of Directors retiring by rotation:

Details of Director seeking appointment/ reappointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") is annexed to the Notice convening the Annual General Meeting and forming part of this Annual Report.

8. Attendance and directorships held:

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.

Table-1								
Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Gundala Raju	None	Independent Director	5	5	Yes	--	3	0
Bharathi	None	Independent Director	5	5	Yes	--	3	0
T. Abhilash	None	Professional Director	5	5	Yes	--	0	0

S. Arjun Kumar	None	Independent Director	5	5	yes	---	3	2
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9. Information supplied to the board:

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the Whole Time Director is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Annual business plan.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required.
- Expansion projects and its status monitoring.
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any

- Quarterly review of compliance status under various laws applicable to the Company.
- Substantial non-payment of goods sold by the Company except disputes.
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business.
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Familiarization program for independent directors:

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarize with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year.

The Company's Policy of conducting the Familiarization Program and details of such familiarization program during the year, is placed on its website viz., www.msrlindia.in

11. Committees of the board:

The Company has four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

12. Performance Evaluation of Board, Committees and Directors:

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, an annual Board effectiveness evaluation was conducted for FY 2019-20 on February 14, 2020, involving the following:

i. Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfillment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and

ii. Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman.

An IDs' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on February 14, 2020, mainly to review the performance of Independent Directors and the Chairman & Managing Director as also the Board as a whole. All IDs were present at the said meeting.

(i) **Board:** Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

(ii) **Executive Directors:** Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.

(iii) **Independent Directors:** Participation, managing relationship, ethics and integrity, Objectivity, bringing independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.

(iv) **Chairman:** Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.

(v) **Committees:** Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

Performance evaluation was done on the scale of 1 to 5, 1 being very poor and 5 being outstanding. The outcome of performance evaluation is given below

Categories	Rating (out of 5)
Board as a whole	4.70
Individual Directors	
Mr. Gundala Raju	4.85
Mr. Abhilash Tumula	4.94
Ms. Bharathi	4.23
Mr. Arjun Kumar Saladi	4.65
Audit Committee	4.36

Stakeholder Committee	Relationship	4.34
Nomination Committee	& Remuneration	4.67
Risk Management Committee		4.68

Disclosures as prescribed under SEBI circular dated May 10, 2018 are given below:

Observations of Board evaluation carried out for the year	No observations.
Previous year's observations and actions taken	Since no observations were received, no actions were taken.
Proposed actions based on current year observations	Since no observations were received, no actions were taken

13. Audit committee: Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

A. Brief Description of Terms of Reference: - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- iii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- iv. Approval of payment to statutory auditors for any other services rendered by them.
- v. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;

- (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- vi. Review of the quarterly and half yearly financial results with the management and the statutory auditors;
 - vii. Examination of the financial statement and the auditors' report thereon;
 - viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
 - ix. Approval or any subsequent modification of transactions with related parties;
 - x. Scrutiny of inter-corporate loans and investments;
 - xi. Review of valuation of undertakings or assets of the company wherever it is necessary;
 - xii. Evaluation of internal financial controls and risk management systems;
 - xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
 - xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
 - xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - xvi. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;
 - xvii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
 - xviii. Review the functioning of the whistle blower mechanism;
 - xix. Review and monitor the end use of funds raised through public offers and related matters;

- xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xxi. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;
- xxii. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.

i. Review of the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice in terms of Regulation 32(7).
- The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- Carrying out any other function as may be referred to the Committee by the Board.
- Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

B. Internal Audit

The Company has adequate internal control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

B. Composition, Meetings & Attendance:

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All

members of the Committee are financially literate, with Mr. S, Arjun Kumar, as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended 31st March 2020 are as under:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. S,Arjun Kumar	Chairman	NED(I)	--	--
Ms. Bharathi	Member	NED(I)	4	4
Mr. Gundala Raju	Member	NED(I)	4	4

The Audit Committee met 4 times during the financial year 2019-20 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: 28th May 2019, 12th August 2019, 12th November 2019 and 14th February 2020. Requisite quorum was present at the above Meetings.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee inter alia reviewed key audit findings covering Operational, Financial and Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 30 September, 2019.

14. Nomination and remuneration committee: The Nomination and Remuneration Committee ('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board. The terms of reference of the NRC includes:

- Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or reappointment of Directors.
- Recommend to the Board how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiaries.

- Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.
- Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP and executive team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarisation programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.
- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.
- Perform other activities related to the charter as requested by the Board from time to time

B. Composition of the committee, meetings and attendance during the year:

There were two (2) Nomination and Remuneration Committee Meetings held during the financial year 2019-20 on 06.05.2019 & 14.02.2020

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. S,Arjun Kumar	Chairman	NED(I)	2	2
Ms. Bharathi	Member	NED(I)	2	2
Mr. Gundala Raju	Member	NED(I)	2	2

15. Stakeholder's relationship committee: Terms of reference of the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Act, 2013 which inter-alia include:

- (i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (ii) Proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/KMPs, as may be required and identifying actionable points for implementation.
- (iii) Review of measures taken for effective exercise of voting rights by shareholders
- (iv) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (v) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee comprises of 3 Independent Directors. In the financial year 2019-20, 4 meetings of the Committee were held on 28th May 2019; 12th August 2019; 12th November 2019 and 14th February 2020. Composition of committees and member's attendance at the meetings during the year are as under:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. S,Arjun Kumar	Chairman	NED(I)	4	4
Ms. Bharathi	Member	NED(I)	4	4
Mr. Gundala Raju	Member	NED(I)	4	4

No Complaints were received during the financial year 2019-20

16. Performance evaluation criteria for independent directors:

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

Policy:

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

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

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

2.1 The proposed appointee shall also fulfil the following requirements:

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

3. Criteria of independence

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

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

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

4. Other directorships/ committee memberships

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

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

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

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

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

17. Name and designation of compliance officer:

Mr. Abhilash T, Company Secretary of the Company, is the Compliance Officer of the Company.

18. Details of complaints/requests received, resolved and pending during the year 2019-20:

Number of complaints	Number
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	0
Number of complaints resolved	0
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2020	0
Complaints pending as on March 31, 2020	0
Number of Share transfers pending for approval, as on March 31, 2019	0

19. Pecuniary Relationship or Transactions Of The Non-Executive Directors Vis-À-Vis The Listed Company: The Non- Executive Directors have no pecuniary relationship or

transactions.

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

Policy:

1. Remuneration to Executive Director and key managerial personnel

1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

2. Remuneration to Non – Executive Directors

2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3. Remuneration to other employees

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

B. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2019-20 AND OTHER DISCLOSURES:

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Ms. Bharathi	--	--	--	--	--	--	--
Mr. Gundala Raju	--	--	--	--	--	--	--
S Arjun Kumar	--	--	--	--	--	--	--

20. Independent directors' meeting:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 14.02.2020, to discuss:

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

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

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

1. Remuneration policy:

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

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

Policy for selection of directors and determining directors' independence:

1. Scope:

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

2. Terms and References:

2.1 “Director” means a director appointed to the Board of a Company.

2.2 “Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

2.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

1. Scope:

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

2. Terms and Reference:

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

2.1 “Director” means a director appointed to the Board of the company.

2.2 “Key Managerial Personnel” means

- (i) The Chief Executive Office or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-Time Director;
- (iv) The Chief Finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

21. Formal annual evaluation:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder and regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors of the company had a meeting on 14.02.2020 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

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

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

i.) Mr. T.Abhilash – Whole Time Director

The meeting recognized the significant contribution made by Mr. T.Abhilash in directing the Company towards the success path and placing the Company globally in Copper Manufacturing & FMGC Products

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

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

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

22. Risk Management Committee: -

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. However, to further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors voluntarily constituted a Board level Risk Management Committee (RMC).

A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. T.Abhilash	Chairman	ED
Mr. Gundala Raju	Member	NED(I)
Mrs. S. Bharathi	Member	NED(I)

Role and responsibilities of the committee includes the following:

- Framing of Risk Management Plan and Policy.

- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

23. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

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

24. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued these types of securities.

25. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

Price and demand of the Company's finished products are inherently volatile and remain strongly influenced by global economic conditions. Any fluctuation in finished product prices or currency has direct impact on the Company's revenue and profits.

The Company considers exposure to commodity price fluctuations to be an integral part of our business and its usual policy is to sell its products at prevailing market prices. The Company has a well-defined policy framework wherein no speculative positions are taken and limited commodity hedging is done with endeavors to achieve month-average rates both in currency and metal prices. The Company follows the policy of taking forward cover for net foreign exposure, if the net is payable in foreign currency, with negligible exposure in non USD currencies All policies are periodically reviewed basis local and global economic environment.

26. Details on general body meetings:

A. Location, date and time of last three AGMs and special resolutions there at as under:

Financial Year	Date	Time	Location	Special / Ordinary Resolution

2018-19	30.09.2019	9.00	Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad - 500055	<p>Ordinary:</p> <ol style="list-style-type: none"> 1. Approval of financial statements for the year ended 31.03.2019 2. appointment of M/s. Annadevara Associates, as statutory auditors of the company <p>Special:</p> <ol style="list-style-type: none"> 3 appointment of mr. arjun kumar saladhi as an independent director of the company: 4.Re-appointment of Mr. Gundala Raju as independent director of the company: 5.appointment of Mr. Abhilash Tumula as a Director of The Company:
2017-18	29.09.2018	9.00	Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad - 500055	<p>Ordinary:</p> <ol style="list-style-type: none"> 1. Approval of financial statements for the year ended 31.03.2018 2. To ratify appointment of M/s. Vijay Sai Kumar & Associates as statutory auditors of the company <p>Special:</p> <ol style="list-style-type: none"> 3. Change in Name of the Company. 4. Reappointment & Revision of Remuneration of Mr. K V Rajasekhar Reddy, Managing Director of the company: <p>Regularization of Mrs. D. Bharathi as Director of the company:</p>

2016-17	29.09.2017	10.30	Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad - 500055	<p>Ordinary:</p> <ol style="list-style-type: none"> 1. Approval of financial statements for the year ended 31.03.2017 2. To appoint a Director in place of Mr. K.V. RajasekharReddy who retires by rotation and being eligible, offers himself for re-appointment. 3. To ratify appointment of M/s. Vijay Sai Kumar & Associates as statutory auditors of the company <p>Special:</p> <ol style="list-style-type: none"> 1. Regularization of Mrs. D. Bharathi as Director of the company.
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27. Passing of Resolutions By Postal Ballot

There were no resolutions passed by the Company through Postal Ballot during the financial year 2019-20.

28. Means Of Communication:

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with Members through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Business Standard and Navatelangana. These results are also made available on the website of the Company <https://www.msringia.com/investor-relations/quarterly-results/>. The website also displays vital information relating to the Company and its performance, official press releases and presentation to analysts.

All price sensitive information and matters that are material to Members are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company <https://www.msringia.in>

29. General shareholder information:

A. Annual general meeting:

The 37th Annual General Meeting of the Company will be held as per the following schedule:

Day	Saturday
Date	26 th December, 2020
Time	11.30 a.m.
Venue	at through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

B. Venue: Financial Year And Financial Year Calendar 2020-21 (Tentative Schedule)

The financial calendar (tentative) shall be as under:

Financial Year	2020-21
First Quarterly Results	14.08.2020
Second Quarterly Results	14.11.2020
Third Quarterly Results	14.02.2021
Fourth Quarterly Results	29.05.2021
Annual General Meeting for year ending 31st March, 2021	30.09.2021

C. Dividend Payment Date: No Dividend was declared during the Financial Year 2019-20.

D. Payment of Listing Fees: The Company has paid annual listing fees for the financial year 2020-21 to the BSE within stipulated time.

E. Listing on stock exchange & address:

The equity shares of the Company is listed on Bombay Stock Exchange Limited (BSE).

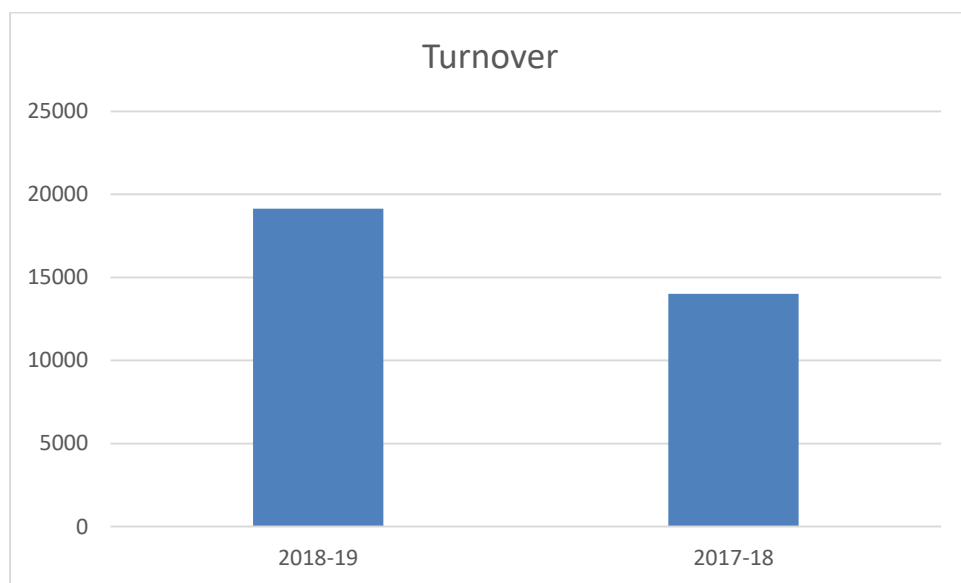
BSE Limited
MSRINDIA
Address: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

F. Stock Market Price Data: BSE Limited

Bombay Stock Exchange(BSE)				
Month	Open Price	High Price	Low Price	Close Price
Apr 19	10.93	13.35	10.00	10.81
May 19	11.80	11.84	8.00	9.60

Jun 19	9.85	10.25	8.01	10.15
Jul 19	9.61	10.20	7.00	7.60
Aug 19	7.99	8.85	5.60	8.75
Sep 19	8.90	8.90	6.00	7.78
Oct 19	8.35	9.99	6.16	9.50
Nov 19	9.99	10.80	8.01	9.99
Dec 19	9.95	10.65	8.21	9.00
Jan 20	8.61	9.10	7.04	7.69
Feb 20	8.24	8.90	6.57	7.60
Mar 20	8.25	8.78	5.02	5.40

G. Performance in comparison to Board based indices:



H. Registrar and share transfer agents:

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

I. Share transfer system:

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2020, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

J. Distribution Of Shareholding As On 31st March , 2020:

Shares	No. of Share holders	% of Total Share holders	No. of Shares	% of Total Share holding
Up to - 500	1241	76.37	1454450	0.46
501-1000	128	7.88	998685	0.32
1001 - 2000	78	4.80	1105655	0.35
2001 - 3000	47	2.89	1209725	0.38
3001 - 4000	19	1.17	695000	0.22
4001 - 5000	20	1.23	940340	0.3
5001- 10000	37	2.28	2709125	0.86
10001 - Above	55	3.38	305287020	97.1
Total	1625	100.00	314400000	100

K. Dematerialisation & liquidity of shares:

MSR INDIA LTD Shares are tradable in Electronic Form. The Company has established electronic connectivity through Venture Capital And Corporate Investments Private Limited Private Limited with both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) The International Securities Identification

Number (ISIN) allotted to our shares under the Depository System is INE331L01026. As on March 31, 2020 100% of the shares were held in Dematerialised form and the rest in physical form.

Particulars	No. of Shares	% Share Capital
NSDL	55534673	88.32
CDSL	7345327	11.68
PHYSICAL	--	--
Total	6,28,80,000	100.00

We request the shareholders whose shares are held in physical mode to dematerialize the shares and update their bank accounts with the depository participants.

A. Outstanding GDRS/ADRS/Warrants or Convertible Instrument:

The Company has not issued GDRs/ADRs/Warrants or any other instruments convertible into equity.

B. Book closure date:

The date of Book Closure for the purpose of Annual General Meeting and determining the shareholders shall be from 20.12.2020 to 26.12.2020 (both days inclusive) for the purpose of AGM. Please find the attachment

C. Electronic connectivity:

Demat ISIN Number: **INE331L01026**

D. National Securities Depository Limited

Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013.

E. Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai 400013

F. PLANT LOCATIONS:

UNIT-I

Plot No.D-16, Road No.73,
Phase-IV, Extn. IDA Jeedimetla,
Hyderabad, Telangana – 500 055

UNIT-II

Survey No 36, Bowrampet,
Qutubullapur Mandal,
Hyderabad – 500 043.

UNIT-III

Sy No 41/A,
Chetlapotharam, IDA Jinnaram
Gagillapur, Medak District – 502 319

A) ADDRESS FOR CORRESPONDANCE:

Mr. T.Abhilash

Address: MSR India Limited,
Plot No. D – 16, Road No. 73, Phase – IV Extn. Jeedimetla (V), Quthubullapur (M),
Hyderabad –
Telangana - 500055

Sl. No	Name of the Shareholders	No. of Equity shares held	% Of holding
A	Promoter and Promoter Group	4,68,53,930	74.51
	Sub- Total A	4,68,53,930	74.51
B	Public shareholdings		
1.	Institutions	NIL	NIL
2.	Non- Institutions		
a	Bodies Corporate	13,24,092	2.11
b	Indian public and others	69,65,951	11.08
c	Any others		
	i. NRI,s	6,31,753	1.00
	ii. Clearing Members	33,53,134	5.33
	iii. Employee	NIL	NIL
	iv. Foreign Portfolio Investors (Corporate)	37,51,140	5.97
	Sub- Total B	1,60,26,070	25.49
	Grand Total (A+B)	6,28,80,000	100

30. Confirmation by the Board of Directors regarding acceptance of recommendation of all Committees:

In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees.

31. Fees paid to Statutory Auditor:

A total fee of Rs. 2,00,000/- was paid by the Company , on a consolidated basis, for all services to M/s. Annadevara Associates, Statutory Auditors and all entities in the network firm/ network entity of which they are part.

The total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditors, M/s. Annadevara Associates and all entities in the network firm/ network entity of which they are part is as follows:

Particulars	Amount in Rs.
Audit fees	1,00,000
Fees for other services – Certification	75,000
Reimbursement of out of pocket expenses	25,000
Total	

32. Other disclosures:

- i. Details of transactions with related parties as specified in Indian Accounting Standards (IND AS 24) have been reported in the financial Statements. During the year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company at large. The Audit Committee takes into consideration the management representation and an independent audit consultant's report, whilst scrutinizing and approving all related party transactions, from the perspective of fulfilling the criteria of meeting arms' length pricing and being transacted in the ordinary course of business. During the period, all transactions with related parties entered into by the Company were in the ordinary course of business and on an arm's length basis, were approved by the Audit Committee. The detailed Policy on Related Party Transactions is available on the website of the Company at www.msrintia.in
- ii. The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI or any other statutory authority.
- iii. In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.
- iv. Company has revised the Whistle-Blower policy to insert "reporting of incidents of leak or suspected leak of UPSI" in terms of the Securities and Exchange Board of India (Prohibition

of Insider Trading) Regulations, 2015, as amended from time to time and the revised policy was approved by the Board at its meeting held on March 22, 2019. Kindly refer to the Company's website at www.msindia.in

- v. The Company has complied with all the mandatory requirements of Corporate Governance as specified in sub paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations and disclosures on compliance with corporate governance requirements specified in Regulations 17 to 27 have been included in the relevant sections of this report.
- vi. The Company also fulfils all the non-mandatory requirements as specified in Part E of the Schedule II of the SEBI Listing Regulations.
 - a) The company has an Non-Executive Chairman
 - b) The Company has moved towards a regime of Standalone Statements with unmodified audit opinion.
 - c) The Internal Auditor makes presentations to the Audit Committee.
 - d) Shareholders Rights: The Company has adopted requirements with regard to sending of quarterly half yearly financial results to the Members of the Company.
- vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – **Not applicable.**
- viii. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.
- ix. The Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace, in accordance with its Policy on Prevention of Sexual Harassment at Workplace ('POSH') which is available on the website of the Company. No Complaints was received during the financial year.
- x. The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V(c) to the SEBI Listing Regulations.
- xi. Appropriate information has been placed on the Company's website pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.
- xii. Commodity price risk and commodity hedging activities: **Not Applicable**
- xiii. Disclosures with respect to demat suspense account/ unclaimed suspense account: **Not Applicable**

For and on behalf of the Board of

MSR India Limited

Place: Hyderabad
Date: 06.11.2020

Sd/-
Gundala Raju
Director
(DIN: 01742710)

Sd/-
Abhilash Tumula
Whol Time Director
(DIN: 06725012)

MSR INDIA LIMITED

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

1. Industry Structure, Development and Outlook:

Your Company's major business activities include Manufacturing of Copper water bottles, vermicelli, Atta and special purpose components for ISRO. The Company has added slew of new clientele for its copper smelting unit. This financial year has been promising in the First two quarters with lot of enquiries coming for our products, however due to the corona pandemic the business has took a huge hit with being idle for most of the last quarter to huge drop in demand. The Country is now on road to recovery after returning to business from complete lockdown, the same is the condition of the Company. In the First two quarters of the F.Y 2020-2021 the business looks very bleak with a very little recovery post pandemic. However, with the timely support from Govt in form of GECL loan Facility, the company's outlook is looking bright for F.Y 2020-21.

b) Opportunities

- Untapped Market: With 600 Ton Capacity of Copper smelting unit, your Company has one of the biggest smelting plant in Telangana. This is the biggest Unorganized sector with lot of opportunities, at present our focus is to tap new clientele for this segment and to achieve 70 percent utilization of the smelting plant by the end of F.Y 2020-21. After the down trend of pandemic there is a huge demand for our FMCG products like vermicelli, Atta and pasta. Keeping the demand in mind the company is planning to expand its market out of Telangana & Andhra Pradesh and groundwork for same has already started.

Threats

- Due to the pandemic the operational costs have skyrocketed and there is dearth of Contract labor.
- Transporting costs have also increased due to raise in Fuel costs which are eating into the profits.

c) Business performance and Segment Reporting:

During the year under review, the Company has recorded revenue of Rs.5,013.18 Lakhs and made a net profit of Rs.3.28 Lakhs against revenue of Rs. 19,138.72Lakhs and net profit of Rs. 49.87 Lakhs in the previous financial year 2018-19.

The following segment wise turnover in percentage wise during the financial year:

DR. Copper	56.04%
FMCG	9.97%
Copper Melting	33.99%

MSR INDIA LIMITED

d.) Business Outlook:

The Company wants to focus on Copper smelting and FMCG products in the current year to get over the loss created due to the pandemic. Accordingly Company is investing in marketing to increase the reach of its products and is expecting to double its growth by F.Y 2023-24. The Company is also looking at cutting costs of raw material by renegotiating prices with suppliers.

e.) Risks and Concerns:

The Major concerns at present is the safety issue, maintaining safety of the employees is the top priority of the company. Apart from that the company is also facing a risk of slowdown in the economy.

f) Internal Control System and its adequacy:

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

g) Human resources and Industrial relations:

The company always have good HR practices in place to take care of the wellbeing of its employees, the Company has even arranged transport facility for its employees at free of cost. The Company leaves no opportunity to encourage employees, the Company also give away award and monetary benefits to its best performer every month, thereby motivating the employees. Employees are given opportunity to pitch their ideas to the management for developing the company, the company conducts meeting once a week in this regard.

a) Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, along with detailed explanations thereof, including: nil

Debtors turnover	31.85%	
Inventory turnover.	79.10%	
Interest coverage ratio.	1.01%	
Current ratio	1.35%	
Debt equity ratio	2.32%	
Operating profit margin (%)	1.96%	
Net profit margin (%) or, sector-specific equivalent ratios, as applicable]		0.06%

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

**Sd/-
Abhilash Tumula
Whole Time Director
(DIN: 06725012)**

**Place: Hyderabad
Date: 06.11.2020**

Independent Auditors' Report

to the Members of MSR INDIA LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MSR India Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements")

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 Indian Accounting Standards prescribed under section 133 of the act read with the Companies(Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 its profit, total 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 (SAs) specified under clause 10 of section 143 of the Companies Act, 2013. Our responsibilities under those Standards 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Provision for taxation and deferred tax assets/liabilities:

The key audit matter	How the matter was addressed in our audit
Accrual for tax and computation of deferred tax require the Management to make judgements and estimates in relation to the issues, exposures and matters relating to Income Tax Act, Finance Act and other eventualities arising in the regular course of business. The key judgement lies in the estimation of provisions where they may differ from the future obligations and cash outflows. By nature, provision is difficult to estimate and includes many variables.	Our audit procedures included: <ul style="list-style-type: none">• We tested the effectiveness of controls around the recognition of provisions, computation of deferred tax and MAT.• We recomputed the provision for tax, MAT and Deferred tax liabilities in light of applicable regulations.• We discussed the details with the management regarding the assumptions and judgement made.

Emphasis of Matter

We draw attention to the paragraphs mentioned below, which require emphasis of shareholders.

1. The Company has not made necessary disclosures under the below mentioned notes to standalone financial statements:

Sr. No.	Note to standalone financial statements	Remarks/Observations
1.	Note 28 - Segment information	Information pertaining to reportable segments are omitted in this note to financial statements
2.	Note 31 - Gratuity	Actuarial valuation details regarding employment benefit schemes are omitted in this note to financial statements.
3.	Note 35 - Risk management	Maturity profile of company's financial liabilities are not presented under this note.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report other than the standalone financial statements and our auditors' report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs and profit of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Act, 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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;
 - c) the balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
 - d) except for the effects of Emphasis of Matters, 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 are disqualified as on March 31, 2017 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note No. 27 to Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- h) With respect to the matter to be included in the Auditors' 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 to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for Annadevara Associates
Chartered Accountants
Firm registration number: 04973S

A G Krishna Prasad
Partner
Membership No.: 210576

Place: Hyderabad
Date: July 30, 2020

Annexure – A to the Auditors' Report

The Annexure referred to in Paragraph 1 under Report on Other Legal and Regulatory Requirements in Independent Auditors' report to the members of the Company on the standalone financial statements for the year ended March 31, 2020, we report that:

- 1) With regard to fixed assets:
 - a) As per the information given by the management, the company is maintaining Fixed Assets Register showing full particulars including Quantitative and situation of fixed assets. Due to extraordinary circumstances prevailing during period of audit we have not performed physical verification of Fixed Assets. Therefore, we placed a reliance on the information provided by the management.
 - b) According to the information given to us, the title deeds of immovable property held in the name of the Company as at the date of Balance sheet and with respect to properties that have been taken on lease are disclosed as fixed assets in the financial statements. As the title deeds are with the banker, we have not verified the title deeds of freehold properties held in the name of the company.
- 2) With regard to inventories:
 - a) As explained to us, the Company has a program of physical verification of its inventory once in a year. Due to extraordinary circumstances prevailing during the period of audit we could not carried out the physical verification of inventories. As there is no other way to carry out the physical verification, we placed a reliance on the physical verification of stock carried out by the Management.
- 3) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, this paragraph is not applicable.
- 4) Based on explanations give to us, the Company has not made investments or not granted any loans or advances or not provided guarantees as specified under section 185 and section 186 of the Act, hence reporting under clause (iv) of the CARO 2016 Order is not applicable.
- 5) According to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- 6) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the said cost records.

- 7) According to information and explanations given to us and on the basis of examination of the records:
- a) The Company has been regular in depositing undisputed statutory dues, including Income-Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Income-Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - c) There are no dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax, cess and other statutory dues as on March 31, 2020 on account of disputes.
- 8) According to explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. The Company has not issued any debentures.
- 9) According to explanations give to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Hence reporting under clause (ix) of the CARO 2016 Order is not applicable
- 10) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- 12) The Company is not a Nidhi Company, hence reporting under clause (xii) under paragraph 3 of the CARO 2016 Order is not applicable.
- 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 sections 188 of the Act where applicable and details of such transactions have been disclosed in the 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, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence reporting under clause (xiv) of CARO 2016 Order is not applicable.
- 15) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him, hence reporting under clause (xv) of CARO 2016 order is not applicable.

16) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for Annadevara Associates

Chartered Accountants

Firm registration number: 04973S

A G Krishna Prasad

Partner

Membership No.: 210576

Place: Hyderabad

Date: July 30, 2020

Annexure – B to the Auditor’s Report

The Annexure referred to in clause (f) Paragraph 2 under Report on Other Legal and Regulatory Requirements in Independent Auditors’ report to the members of the Company on the standalone financial statements for the year ended March 31, 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of MSR INDIA LIMITED (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 Annadevara Associates

Chartered Accountants

Firm registration number: 04973S

A G Krishna Prasad

Partner

Membership No.: 210576

Place: Hyderabad

Date: July 30, 2020

MSR INDIA LIMITED**Standalone Balance Sheet**

(All amounts in Indian Rupees, except share data and where otherwise stated)

	Note	As at 31-Mar-20	As at 31-Mar-19
Assets			
Non-current assets			
Property, plant and equipment	4	235,164,767	304,961,438
Capital work-in-progress			
Intangible assets	5	48,008	64,010
Financial assets			
Investments			
Loans	6	4,943,161	3,102,295
Deferred Tax Assets (net)	7	2,067,325	332,094
Other non-current assets		-	-
		242,223,261	308,459,837
Current assets			
Inventories	8	396,546,490	250,653,345
Financial assets			
Investments	9	3,485,127	5,000,000
Trade receivables	10	159,678,329	199,612,608
Cash and cash equivalents	11	10,035,913	569,082
Other bank balances	11	450,000	450,000
Other current assets	12	9,294,907	6,473,642
		579,490,766	462,758,678
Assets held for sale			
Total assets		821,714,028	771,218,514
Equity and Liabilities			
Equity			
Equity share capital	13	314,400,000	314,400,000
Other equity	14	39,039,790	38,711,219
Total equity		353,439,790	353,111,219
Non-current liabilities			
Financial Liabilities			
Borrowings	15	40,508,382	51,549,638
Other non current liabilities			
Provisions		-	-
		40,508,382	51,549,638
Current liabilities			
Financial Liabilities			
Borrowings	17	301,964,982	300,764,118
Trade payables	18	114,939,437	56,623,800
Other financial liabilities		-	-
Other current liabilities	16	10,861,437	9,169,739
Provisions		-	-
Total liabilities		427,765,856	366,557,657
Total equity and liabilities		821,714,028	771,218,514
Summary of significant accounting policies	3		
		0	(0)

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

for ANNADEVARA ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 004973S

A G KRISHNA PRASAD

Partner

Membership No.: 210576

for and on behalf of the Board of Directors of

MSR INDIA LIMITED

CIN: L15122TG2002PLC039031

ABHILASH TUMULA

Managing Director

DIN: 06725012

D BHARATHI

Director

DIN: 07669720

Place: Hyderabad

Date: 30-July-2020

CH D A D V PRASAD

Chief Financial Officer

ABHILASH TUMULA

Company Secretary

MSR INDIA LIMITED**Standalone Statement of Profit and Loss**

(All amounts in Indian Rupees, except share data and where otherwise stated)

	Note	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Revenue from operations	19	501,317,716	1,699,187,340
Other income	20	1,016,609	1,122,215
Total income		502,334,325	1,700,309,555
Expenses			
Cost of Material Consumed	21	218,639,023	1,529,582,803
Changes in Inventories	22	-	-
Employee benefits expenses	23	51,662,287	44,065,608
Depreciation and amortisation expense	24	28,953,729	31,181,453
Finance costs	25	36,693,564	23,109,617
Other expenses	26	166,067,112	62,118,825
Total expense		502,015,716	1,690,058,306
Profit before tax		318,610	10,251,249
Tax expenses			
Current tax		1,725,270	4,044,062
Deferred tax charge	7	(1,735,231)	1,220,282
Total tax expense		(9,961)	5,264,344
Profit for the year		328,571	4,986,905
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan			-
Income-tax effect			-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		328,571	4,986,905
Earnings per equity share (nominal value of INR 10) in INR	35	0.01	0.08
Basic and Diluted			
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for ANNADEVARA ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 004973S

for and on behalf of the Board of Directors of

MSR INDIA LIMITED

CIN: L15122TG2002PLC039031

A G KRISHNA PRASAD

Partner

Membership No.: 210576

ABHILASH TUMULA

Managing Director

DIN: 06725012

D BHARATHI

Director

DIN: 07669720

Place: Hyderabad

Date: 30-July-2020

CH D A D V PRASAD

Chief Financial Officer

ABHILASH TUMULA

Company Secretary

MSR INDIA LIMITED**Standalone Statement of Cash Flows**

(All amounts in Indian Rupees, except share data and where otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Operating activities		
Profit before tax	318,610	10,251,249
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	28,937,727	31,181,453
Amortisation of Intangible Assets	16,002	
Loss on sale of assets	9,341,842	
Finance income (including fair value change in financial instruments)	-	(122,913)
Finance costs (including fair value change in financial instruments)	36,693,564	23,109,617
Advance/Bad Debt Written off		
Written of Investments		
Unrealized foreign exchange loss/gain		
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	39,934,279	(67,725,030)
(Increase)/ decrease in inventories	(145,893,145)	(158,616,390)
Increase/ (decrease) in Borrowings	1,200,863	180,437,824
(Increase)/ decrease in other assets	(4,662,131)	43,451,758
Increase/ (decrease) in trade payables and other financial liabilities	58,315,637	1,257,963
Increase/ (decrease) in provisions	1,691,698	5,104,975
Increase/ (decrease) in other financial liabilities	-	
	25,894,947	68,330,506
Income tax paid	(1,725,270)	(4,044,062)
Net cash flows from operating activities	24,169,677	64,286,444
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(2,882,901)	(81,286,596)
Proceeds from sale of fixed assets	34,400,000	-
Other bank balances	-	(335,000)
Interest received (finance income)	-	122,913
Investments	1,514,873	(5,000,000)
Net cash flows used in investing activities	33,031,972	(86,498,683)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	(11,041,256)	45,449,750
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	(36,693,564)	(23,109,617)
Unrealized foreign exchange loss/gain	-	-
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	(47,734,821)	22,340,133
Net increase / (decrease) in cash and cash equivalents	9,466,828	127,894
Cash and cash equivalents at the beginning of the year	569,084	441,190
Cash and cash equivalents at the end of the year	10,035,913	569,084

Summary of significant accounting policies

3

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for ANNADEVARA ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 004973S

for and on behalf of the Board of Directors of

MSR INDIA LIMITED

CIN: L15122TG2002PLC039031

A G KRISHNA PRASAD

Partner

Membership No.: 210576

ABHILASH TUMULA

Managing Director

DIN: 06725012

D BHARATHI

Director

DIN: 07669720

Place: Hyderabad

Date: 30-July-2020

CH D A D V PRASAD

Chief Financial Officer

ABHILASH TUMULA

Company Secretary

MSR INDIA LIMITED**Standalone Statement of Changes in Equity for the year ended March 31, 2020**

(All amounts in Indian Rupees, except share data and where otherwise stated)

a. Equity Share Capital

	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid-up		
At April 1, 2018	62,880,000	314,400,000
At March 31, 2019	62,880,000	314,400,000
At March 31, 2020	62,880,000	314,400,000

b. Other equity

Particulars	Reserves and Surplus				Total
	Share Premium	Equity component of CCPS	Foreign exchange Translation Reserve	Retained Earnings	
At April 1, 2018	437,129			33,287,185	33,724,314
Profit for the year				4,986,905	4,986,905
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans					-
Income-tax effect				-	-
At March 31, 2019	437,129	-	-	38,274,090	38,711,219
Profit for the year				328,571	328,571
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans, net of tax				-	-
Income-tax effect				-	-
Balance as of 31 March 2020	437,129	-	-	38,602,661	39,039,790

Summary of significant accounting policies

1 to 5

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for ANNADEVARA ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 004973S

for and on behalf of the Board of Directors of

MSR INDIA LIMITED

CIN: L15122TG2002PLC039031

A G KRISHNA PRASAD

Partner

Membership No.: 210576

ABHILASH TUMULA

Managing Director

DIN: 06725012

D BHARATHI

Director

DIN: 07669720

Place: Hyderabad

Date: 30-July-2020

CH D A D V PRASAD

Chief Financial Officer

ABHILASH TUMULA

Company Secretary

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

1 General Information

MSR India Limited ('the Company') was incorporated on 27 May 2002 limited company under the Companies Act, 1956. The Registered office of the Company is situated at PLOT NO-D-16, ROAD NO-73, PHASE-IV, IDA, JEEDIMETLA HYDERABAD, Telangana 500055. The Company is primarily engaged in the business of Manufacturing and sale of Copper Bottles .

2 Basis of preparation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2020 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance of the Company is provided in Note 38.

The financial statements were authorised for issue by the Company's Board of Directors on 26 th August, 2020.

Details of the accounting policies are included in Note 3.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- long term borrowings are measured at amortized cost using the effective interest rate method.

2.3 Functional currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees except share data, unless otherwise stated.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

2.4 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as

2.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2018 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:

Note 49 – financial instruments;

Note 44 – share based payment arrangement; and

Note 39 – asset held for sale

3 Significant accounting policies

3.1 Revenue recognition

Revenue from operations

Revenue is measured at the fair value of the consideration received or receivable and fair value has been defined taking into account contractually defined terms of payment. Operating revenue recognized is net of all promotional expenses and discounts, rebates and/or any other incentive to customers.

Sale of Products

An entity shall account for a sale contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods to be transferred;
- (c) the entity can identify the payment terms for the goods to be transferred;
- (d) the contract has commercial substance i.e the risk, ownership, timing or amount of the entity's future cash flows etc is expected to change as a result of the contract; and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods that will be transferred to the customer.

In case of sale of Copper Concentrate, Copper Reverts, Anode Slime etc. and tolling of Copper Concentrate of Khetri and Malanjkhand origin, sales / tolling at the end of the accounting period are recorded on provisional basis as per standard parameters for want of actual specifications and differential sales value are recorded only on receipt of actual. This is as per consistent practice followed by the company.

Sale of Services

Income from conversion of job work is accounted for on the basis of actual quantity dispatched. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period. Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

Interest income

Interest income from a financial asset is recognized 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, time basis, by reference to the 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.

3.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

3.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) 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 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.

3.4 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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable

3.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

3.7 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset. Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within "other (income)/expense, net" in the income statement. Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of property, plant and equipment as prescribed in Schedule II to the Companies Act, 2013. If the Management's estimate of the useful life of a property, plant and equipment is different than that envisaged in the aforesaid Schedule, depreciation is provided based on the Management's estimate of the useful life. Pursuant to this policy, depreciation on property, plant and equipment has been provided based on the following useful life of property, plant and equipment as estimated by Management.

3.8 Goodwill and other intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Computer software is amortised on straight line basis over a period of three years.

3.9 Inventories

The inventories of Copper Concentrate, Copper Reverts and Anode Slime etc are valued at lower of cost or net realisable value. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the net realisable value is the selling price.

The comparison of cost and net realisable is made on an item by item basis. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for value added tax wherever applicable, applying the first in first out method.

3.10 Cash and cash equivalents

Cash and Cash Equivalents in the balance sheet comprises of cash at bank and on hand.

3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

3.12 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

3.13 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.14 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

3.15 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.16 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

3.17 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

4 Property, plant and equipment

Particulars	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fixtures	Electrical equipments and Installations	Computers	Vehicles	Total
Cost									
At April 1, 2018 (Refer note a)	77,879,861	42,021,648	15,200,000	177,336,705	22,500	4,442,230	1,791,169	13,272,996	331,967,109
Additions	37,500,000	22,529,212		6,393,551	156,959	7,953,288	184,110	6,569,476	81,286,596
Deletions	-	-	-	-	-	-	-	-	-
At March 31, 2019	115,379,861	64,550,860	15,200,000	183,730,256	179,459	12,395,518	1,975,279	19,842,472	413,253,705
Additions	-	1,279,205	-	1,000,400	170,000	-	200,297	233,000	2,882,901
Deletions	33,226,406	-	10,515,436	-	-	-	-	-	43,741,842
At March 31, 2020	82,153,455	65,830,065	4,684,564	184,730,656	349,459	12,395,518	2,175,576	20,075,472	372,394,764
Accumulated depreciation									
At April 1, 2018	-	5,307,387	3,580,734	59,686,822	16,613	1,194,782	1,764,284	5,581,535	77,132,157
Charge for the year	-	3,595,108	1,103,830	22,371,680	9,142	1,105,724	34,271	2,940,358	31,160,113
Less: Adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2019	-	8,902,495	4,684,564	82,058,502	25,755	2,300,506	1,798,555	8,521,893	108,292,270
Charge for the year	-	5,313,907	-	18,520,927	70,901	1,827,197	213,573	2,991,222	28,937,727
Less: Adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2020	-	14,216,402	4,684,564	100,579,429	96,656	4,127,703	2,012,128	11,513,115	137,229,997
Carrying amount									
At April 1, 2018	77,879,861	36,714,261	11,619,266	117,649,883	5,887	3,247,448	26,885	7,691,461	254,834,952
At March 31, 2019	115,379,861	55,648,365	10,515,436	101,671,754	153,704	10,095,012	176,724	11,320,579	304,961,438
At March 31, 2020	82,153,455	51,613,663	(0)	84,151,227	252,803	8,267,815	163,448	8,562,357	235,164,767

Note

a) For property, plant and equipment existing as on the date of transition to Ind AS, i.e., April 1, 2016, the Company has used Indian GAAP carrying value as deemed costs.

b) Charge on Property, plant and equipment

Property, plant and equipment with a carrying amount of INR XXX (March 31, 2017 - INR XXX) are subject to a first charge to secure the Company's bank loans.

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At April 1, 2018 (refer note a)	130,000	-	130,000
Additions	-	-	-
Deletions	-	-	-
At March 31, 2019	130,000	-	130,000
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	130,000	-	130,000
Accumulated depreciation			
At April 1, 2018	44,654	-	44,654
Charge for the year	21,337	-	21,337
Less: Adjustments	-	-	-
At March 31, 2019	65,991	-	65,991
Charge for the year	16,002	-	16,002
Less: Adjustments	-	-	-
At March 31, 2020	81,993	-	81,993
Carrying amount			
At April 1, 2018	85,346	-	85,346
At March 31, 2019	64,010	-	64,010
At March 31, 2020	48,008	-	48,008

Note

a) For intangible assets existing as on the date of transition to Ind AS, i.e., April 1, 2016, the Company has used Indian GAAP carrying value as deemed costs.

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

6 Other Financial Assets

	31 March 2020	31 March 2019
Security deposits	4,943,161	3,102,295
	<u>4,943,161</u>	<u>3,102,295</u>

Note: These financial assets are carried at amortised cost

7 Deferred Tax Assets (Net)

	31 March 2020	31 March 2019
(i) Deferred Tax Assets		
Opening Balance	332,094	1,552,376
Adjustment/Credit During the year	1,735,231	1,220,282
Closing Balance	<u>2,067,325</u>	<u>332,094</u>
(ii) Deferred Tax Liability		
Opening Balance	-	-
Adjustment/Credit During the year	-	-
Closing Balance	<u>-</u>	<u>-</u>
(iii) Deferred Tax Asset/Liability Net (i-ii)	<u>2,067,325</u>	<u>332,094</u>

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

8 Inventories

	31 March 2020	31 March 2019
Stock In Trade	396,546,490	250,653,345
	<u>396,546,490</u>	<u>250,653,345</u>

9 Investments

	31 March 2020	31 March 2019
Canara Robeco Mutual Fund - Growth	3,485,127	5,000,000
Total Investments	<u>3,485,127</u>	<u>5,000,000</u>

10 Trade receivables

	31 March 2020	31 March 2019
Unsecured, considered good	159,678,329	199,612,608
Unsecured, considered doubtful	<u>159,678,329</u>	<u>199,612,608</u>
Loss allowance	<u>159,678,329</u>	<u>199,612,608</u>
Total Trade receivables	<u>159,678,329</u>	<u>199,612,608</u>

11 Cash and bank balances

	31 March 2020	31 March 2019
Cash and cash equivalents		
Balances with banks:		
- On current accounts	7,490,772	221,227
Cash on hand	2,545,141	347,855
Total Cash and cash equivalents	<u>10,035,913</u>	<u>569,082</u>
Other bank balances		
Term deposits with Banks with original maturities of less than 1 year*	450,000	450,000
Total Other bank balances	<u>450,000</u>	<u>450,000</u>

*Represents margin money deposits against bank guarantees, letter of credit and term loans.

12 Other Current Assets

	31 March 2020	31 March 2019
(a) Advances to Capital Goods		
-Unsecured (Considered good)	5,563,904	31,223,562
(b) Other Advances		
-Secured (Considered good)	3,731,003	56,201
-Unsecured (Considered good)	-	(24,806,121)
Total Other Current Assets	<u>9,294,907</u>	<u>6,473,642</u>

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

13 Share Capital

	31 March 2020	31 March 2019
Authorised Share Capital		
6,40,00,000 equity shares of Rs. 5 each	<u>320,000,000</u>	<u>320,000,000</u>
Issued, subscribed and fully paid-up		
6,28,80,000 equity shares of Rs. 5/- each fully paid-up	<u>314,400,000</u>	<u>314,400,000</u>
	<u>314,400,000</u>	<u>314,400,000</u>

(a) Reconciliation of shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2020		31 March 2019	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	62,880,000	314,400,000	62,880,000	314,400,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	62,880,000	314,400,000	62,880,000	314,400,000

(b) Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Significant Shareholders holding more than 5% shares in the Company

Particulars	31 March 2020		31 March 2019	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
Padmavathi Kakanuri	18,741,087	29.80%	18,741,087	29.80%
M Kanaka Vindhya Prudhvi Reddy	7,027,907	11.18%	7,027,907	11.18%
M Dheeraj Reddy	7,027,907	11.18%	7,027,907	11.18%
K Vijayalakshmi	6,756,444	10.74%	6,756,444	10.74%
M Malla Reddy	4,685,272	7.45%	4,685,272	7.45%
Total	46,852,716	74.51%	46,852,716	74.51%

14 Other equity

	31 March 2020	31 March 2019
Share premium		
Opening balance		
Add: Premium on fresh issue	437,129	437,129
Closing balance	<u>437,129</u>	<u>437,129</u>
Equity component of CCPS		
Opening balance		
Add:	-	-
Closing balance	<u>-</u>	<u>-</u>
Retained earnings		
Opening balance	38,274,090	33,287,185
Profit/(loss) for the year	328,571	4,986,905
Other comprehensive income		
Less: Transfers to general reserve		
Closing balance	<u>38,602,661</u>	<u>38,274,090</u>
Total other equity	<u>39,039,790</u>	<u>38,711,219</u>

Share premium consists of the difference between the face value of the equity shares and the consideration received in respect of shares issued.

MSR INDIA LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

15 Borrowings

	31 March 2020	31 March 2019
Non-current Borrowings		
Secured loans		
Term loans		
- From banks (refer note A below)	34,058,832	42,059,463
Equipment loans		
- From bank (refer note B below)	-	-
Vehicle loans		
- From banks (refer note C below)	6,449,550	9,490,175
Total non-current borrowings	<u><u>40,508,382</u></u>	<u><u>51,549,638</u></u>

16 Other liabilities

	31 March 2020	31 March 2019
Statutory dues Payable	1,256,097	931,986
Employee Benefit Expenses Payable	3,115,760	5,389,208
Advance received for sale of asset		
Sundry Creditors - Others	6,489,584	2,848,545
	<u>10,861,440</u>	<u>9,169,739</u>

17 Current Financial Liabilities - Borrowings

Short Term Borrowings		
-From Banks		
Secured Refer Note D (Secured by hypothecation of Stock in trade and book debts, both present and future of the	301,964,982	300,764,118
	<u>301,964,982</u>	<u>300,764,118</u>

18 Trade payables

	31 March 2020	31 March 2019
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	114,939,437	56,623,800
	<u>114,939,437</u>	<u>56,623,800</u>

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

19 Revenue from operations

	31 March 2020	31 March 2019
Revenue from Exports	157,859	2,499,420
Revenue from Domestic	501,159,857	1,696,687,920
	501,317,716	1,699,187,340
Other operating revenue		
	501,317,716	1,699,187,340

20 Other income

	31 March 2020	31 March 2019
Interest income	-	122,913
Discount Received	1,016,609	999,302
Miscellaneous income	-	-
	1,016,609	1,122,215

21 Cost of Material Consumed

Opening Stock of Raw Materials	250,653,345	92,036,955
Add: Purchase of Raw Materials	364,532,168	1,688,199,193
	615,185,513	1,780,236,148
Less: Closing Stock of Raw Materials	396,546,490	250,653,345
	218,639,023	1,529,582,803

23 Employee benefits expense

	31 March 2020	31 March 2019
Salaries, wages and bonus	49,384,934	43,081,091
Contribution to provident and other funds	1,098,074	540,533
Staff welfare expenses	1,179,279	443,984
	51,662,287	44,065,608

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

24 Depreciation and amortisation expense

	31 March 2020	31 March 2019
Depreciation of tangible assets	28,937,727	31,181,453
Amortization of intangible assets	16,002	
	<u>28,953,729</u>	<u>31,181,453</u>

25 Finance costs

	31 March 2020	31 March 2019
Interest on term loans, equipment loans and vehicles loans	4,993,234	3,220,285
Interest on working capital loan and cash credit	31,336,473	17,359,339
Other borrowing cost	221,357	2,242,442
Bank Charges	142,501	287,551
	<u>36,693,564</u>	<u>23,109,617</u>

26 Other expenses

	31 March 2020	31 March 2019
A. Other Manufacturing Expenses		
-Stores, Spares & Tools Consumed	3,717,260	1,131,196
-Consumption of Power, Fuel & Water	25,317,491	13,615,968
- Contractual Job for Process	1,696,886	919,019
- Handling & Transportation	3,266,847	741,038
Sub Total (A)	<u>33,998,484</u>	<u>16,407,221</u>
B. Repairs & Maintenance & Other Overhaul Expenses		
-Building	7,166,981	3,108,835
-Machinery	211,695	326,894
-Others	-	-
Sub Total (B)	<u>7,378,676</u>	<u>3,435,729</u>
C. Administration and Selling & Distribution Expenses		
-Insurance	1,544,630	791,817
-Audit Fee	168,200	269,800
-Security Charges	1,339,954	1,247,015
-Rent	11,733,860	1,518,104
-Rates and Taxes	55,083,784	671,101
-Travelling and Conveyance	6,342,946	4,724,960
-Business promotion and Advertisement expenses	1,590,628	9,262,432
-Printing and Stationary	769,229	538,503
-Communication Expenses	223,612	278,770
-General Office Expenses	4,615,593	1,638,832
-Sales Commission	16,374,371	13,010,737
-Carriage Outwards	2,009,317	4,961,154
-Repairs and Maintenance others	557,663	580,451
-Legal and Professional Charges	1,282,346	2,532,201
-Discount given	2,441,777	-
-Advertisement	8,191,277	-
-Misc exp	10,420,765	250,000
Sub Total (C)	<u>124,689,951</u>	<u>42,275,876</u>
Total (A)+(B)+(C)	<u>166,067,112</u>	<u>62,118,825</u>

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

27 Contingent liabilities and commitments

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 31-Mar-18
i) Contingent liabilities:	0	0	0
- Corporate guarantees given on behalf of related parties	0	0	0
- 10% Cumulative convertible preference shares of ₹ 100 each (inclusive of dividend distribution tax)	0	0	0
- Claims against the Company not acknowledged as debts*	0	0	0
ii) Commitments:	0	0	0
- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	0	0	0

*The Company is subject to GST Investigation. The GST proceeding is underway the possible outcome depends on the legal processes which have been invoked by the Department and therefore impact of likely GST demand cannot be predicted accurately.

28 Segment Information**29 Related party disclosures**

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name of the parties	Relationship
Amogh Industrial Products	Raw Material and Equipment Suppliers

b) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 31-Mar-18
i) Closing Outstanding Balance Payable	54,590,273	-	-

c) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017 - Nil; April 1, 2016 - Nil).

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

30 Legal and professional charges include auditors' remuneration

Particulars	31-Mar-20	31-Mar-19	31-Mar-18
Statutory audit fee	100000	100,000	100,000
Other services	75000	75,000	75,000
Out of pocket expenses	25000	25,000	25,000
Total	200,000	200,000	200,000

31 Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 1,000,000.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	31-Mar-20	31-Mar-19	31-Mar-18
Opening balance	0	0	0
Service cost	0	0	0
Interest cost	0	0	0
Benefits paid	0	0	0
Actuarial gain	0	0	0
Closing balance	0	0	0
Present value of projected benefit obligation at the end of the year	0	0	0
Fair value of plan assets at the end of the year	0	0	0
Net liability recognised in the balance sheet	0	0	0
Long term provision	0	0	0
Short term provision	0	0	0

Expenses recognised in statement of profit and loss	31-Mar-20	31-Mar-19
Service cost	0	0
Interest cost	0	0
Gratuity cost	0	0
Re-measurement gains/ (losses) in OCI	0	0
Actuarial gain / (loss) due to demographic assumption changes -	0	0
Actuarial gain / (loss) due to financial assumption changes	0	0
Actuarial gain / (loss) due to experience adjustments	0	0
Return on plan assets greater (less) than discount rate	0	0
Total expenses routed through OCI	0	0
	0	-

Assumptions	31-Mar-20	31-Mar-19
Discount rate	0	0
Future salary increases	0	0
Employee turnover	0	0

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

	31-Mar-20	31-Mar-19
Effect of + 1% change in rate of discounting	0	0
Effect of - 1% change in rate of discounting	0	0
Effect of + 1% change in rate of salary increase	0	0
Effect of - 1% change in rate of salary increase	0	0
Effect of + 1% change in rate of employee turnover	0	0
Effect of - 1% change in rate of employee turnover	0	0

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

32 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31-Mar-20	31-Mar-19	31-Mar-18
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	0	0	0
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	0	0	0
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	0	0	0
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0	0	0
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0	0	0

33 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

34 Earnings per share (Continued)

The following table sets out the computation of basic and diluted earnings per share:

Particulars	31-Mar-20	31-Mar-19
Profit for the year	328,571	4,986,905
Less: Preference dividend for the year		
Less: Tax on preference dividend		
Profit attributable to equity share holders	328,571	4,986,905
Shares		
Weighted average number of equity shares outstanding during the year – basic and diluted	62,880,000	62,880,000
Earnings per share of par value ₹ 10 – basic and diluted (₹)	0.01	0.08

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

35 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2020		
INR	+1%	
INR	-1%	
March 31, 2019		
INR	+1%	
INR	-1%	

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31-Mar-20	31-Mar-19	01-Apr-18
Opening balance	0	0	0
Credit loss provided/ (reversed)	0	0	0
Closing balance	0	0	0

No single customer accounted for more than 10% of the revenue as of March 31, 2020, March 31, 2019 and April 1, 2018. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2020	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
	0	0	0	0	0	0
Year ended March 31, 2019	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
	0	0	0	0	0	0
As at April 1, 2018	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0

36 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2020, March 31, 2019 and April 1, 2018 was as follows:

Particulars	31-Mar-20	31-Mar-19	01-Apr-18
Total equity attributable to the equity shareholders of the Company	314,400,000	314,400,000	314,400,000
As a percentage of total capital	100%	100%	100%
Long term borrowings including current maturities	40,508,382	51,549,638	6,099,888
Short term borrowings	301,964,982	300,764,118	117,807,853
Total borrowings	342,473,363	352,313,756	123,907,741
As a percentage of total capital	108.93%	112.06%	39.41%
Total capital (equity and borrowings)	656,873,363	666,713,756	438,307,741

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

37 Explanation on transition to Ind AS

As stated in Note 2.1, these are the first standalone financial statements prepared in accordance with Ind AS. For the year ended March 31, 2019, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006 notified under section 133 of the Act and other relevant provision of the Act ('Previous GAAP'). For the purpose of transition from Previous GAAP to Ind AS, the Company has followed the guidance prescribed under Ind AS 101-first time adoption of Indian Accounting Standards ('Ind AS-101'), with effect from April 1, 2016 ('transition date').

The accounting policies set out in Note 3 have been applied in preparing these standalone financial statements for the year ended March 31, 2020 including the comparative information for the year ended March 31, 2019 and the opening standalone Ind AS balance sheet on the date of transition i.e. April 1, 2018

In preparing its standalone Ind AS balance sheet as at April 1, 2017 and in presenting the comparative information for the year ended March 31, 2018, the Company has adjusted amounts reported previously in standalone financial statement prepared in accordance with the Previous GAAP. This note explains how the transition from Previous GAAP to Ind AS has affected the Company's financial position and financial performance.

Optional exemptions and mandatory exceptions

In preparing these standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

Business Combination: Ind AS 101, provides the option to apply Ind AS 103, Business Combinations ('Ind AS 103') prospectively from the transition date or from a specific date prior to the transition date.

The Company has elected to apply Ind AS 103 from transition date. Business combinations occurring prior to the transition date have not been restated.

Fixed Assets: Freehold land and buildings (properties) were carried in the balance sheet prepared in accordance with the previous GAAP on the basis of carrying cost (cost model) on 31 March 2018. The company has elected to regard those carrying costs of property as deemed cost at the date of transition. Accordingly, the Company has not revalued the property at 1 April 2018.

Investments in subsidiaries: The Company has elected to continue with the carrying value of its investments in subsidiary companies as of April 1, 2018 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Estimates: As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the Previous GAAP unless there is objective evidence that those estimates were in error.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under Previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the standalone financial statements that were not required under the Previous GAAP are listed below:

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Fair valuation of financial instruments carried at FVTPL.

Classification and measurement of financial assets: Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

The following reconciliation provide the effect of transition to Ind AS from Previous GAAP in accordance with Ind AS 101:

(i) Reconciliation of total equity as at March 31, 2020 and April 1, 2019

Particulars	As at March 31, 2020	As at April 1, 2019
Equity as reported under previous GAAP	0	0
Impact on account of credit loss on debtors	0	0
Impact on account of discounting liabilities/assets	0	0
Impact on reversal of amortisation on goodwill	0	0
Equity reported under Ind AS	0	0

MSR INDIA LIMITED**Notes forming part of the financial statements**

(All amounts in Indian Rupees, except share data and where otherwise stated)

38 Explanation on transition to Ind AS (Continued)

(ii) Effect of Ind AS Adoption on the statement of profit and loss for the year ended March 31, 2020

Particulars	Year ended March 31, 2020
Net Profit under previous GAAP	328,571
Unwinding of interest on assets/liabilities discounted	-
Expected credit loss reversal on financial assets	-
Actuarial gain/loss on post employee benefit obligations	-
Reversal of impairment on Goodwill provided under Indian GAAP	-
Net Profit under Ind AS	328,571
Other comprehensive income	-
Actuarial gains/(losses) on post- employment benefit obligations	-
Total comprehensive income under Ind AS	328,571

As per our report of even date attached
for ANNADEVARA ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004973S

for and on behalf of the Board of Directors of
MSR INDIA LIMITED
CIN: L15122TG2002PLC039031

A G KRISHNA PRASAD

Partner
Membership No.: 210576

ABHILASH TUMULA

Managing Director
DIN: 06725012

D BHARATHI

Director
DIN: 00117940

Place: Hyderabad
Date: 30-July-2020

CH D A D V PRASAD
Chief Financial Officer

ABHILASH TUMULA
Company Secretary