



MSR INDIA LIMITED

**36th
Annual Report
2018-2019**

MSR INDIA LIMITED

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. Vijay Sai Kumar & Associates,
Chartered Accountants 2 1 0/3 RT,
Vijaynagar Colony, Hyderabad,
Telangana — 500057

INTERNAL AUDITOR

Ms. Swathi
PLOT NO-D-16, ROAD NO-73,
PHASE-IV, IDA, JEEDIMETLA
HYDERABAD – Telangana 500055

SECRETARIAL AUDITOR

Mr.Chalama Reddy
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

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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

MSR INDIA LIMITED

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Shareholders of M/s. MSR India Limited will be held on Monday, the 30th day of September 2019 at 9.00 A.M at Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad -500055 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019, 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. Annadevara Associates, 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. Annadevara Associates., Chartered Accountants, Hyderabad (Firm Registration No.04973S), be and is hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s. Vijay Sai Kumar & 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 41st Annual General Meeting of the Company to be held in the year 2024, 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”

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. ARJUN KUMAR SALADI AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. S. Arjun Kumar (holding DIN: 08444994), who was appointed as 'Additional Director' in the category of non-executive - Independent director in the Board of the Company on 06.05.2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual

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general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. S. Arjun Kumar as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of his appointment as Independent Director of the Company i.e. 03.06.2019 up to 05.05.2024."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

4. RE-APPOINTMENT OF MR. GUNDALA RAJU (DIN: 01742710) AS INDEPENDENT DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Gundala Raju (DIN: 01742710) who was appointed as an Independent Director of the Company for a term up to 36th Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Gundala Raju as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 1st October, 2019 to 30th September, 2024 and whose office shall not be liable to retire by rotation".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

5. APPOINTMENT OF MR. ABHILASH TUMULA AS A DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Abhilash Tumula (holding DIN: 06725012), who was appointed as 'Additional Director' in the category of Executive in the Board of the Company on 22.03.2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing

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from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Abhilash Tumula as a candidate for the office of a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

6. APPOINTMENT OF MR. ABHILASH TUMULA AS WHOLE TIME DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to appoint Mr. Abhilash Tumula (holding DIN: 06725012) as the Whole-time Director of the Company for a period of Five years with effect from 22.03.2019 to 21.03.2024 at a remuneration of Rs. 1,00,000/- p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time."

"RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. Abhilash Tumula by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

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

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

**Place: Hyderabad
Date: 12.08.2019**

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NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Statement setting out material facts (Explanatory Statement) pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2019 to 30.09.2019 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
6. 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.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. 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).
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
11. 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.

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12. Members are requested to send their queries at least 7 days before the date of meeting so that information can be made available at the meeting.
13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission/transposition, Demat /Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
14. 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.
15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company and at the Annual General Meeting.
16. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with specimen signatures authorizing their representative(s) to attend and vote at the AGM.
17. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.
18. Route Map of venue of Annual General Meeting is annexed to the Notice.
19. Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website <http://www.msrandia.in> for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id:
20. In terms of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of requests received for transmission or transposition of securities.
21. Pursuant to Clause 2 (h) of the Companies (Significant Beneficial Owners) Amendment Rules, 2019, individuals who hold a right or entitlement directly in the Company are requested to intimate the Company through a declaration in form BEN-1.
22. **Voting through electronic means**

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

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(Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. 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.

The remote e-voting period commences on September 27, 2019 (09.00 am) to September 29, 2019 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 24, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.

A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at info@msrindia.in . However, if the person is already registered with the CDSL for remote e-voting then the existing user ID & password can be used for casting vote.

The instructions for shareholders voting electronically are as under:

- 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:

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For Members holding shares in Demat Form and Physical Form	
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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both 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.
- xviii. Note for Non – Individual Shareholders and Custodians

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- 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 Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- xix. 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.
23. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of 24.09.2019.
24. Mr. S. Sarveshwar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
25. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
26. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.msrlndia.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.
27. 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. A note on procedure to be followed for dematerialization of physical shareholding and benefits out of it is uploaded on the company's website www.msrlndia.in.
28. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

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

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

**Place: Hyderabad
Date: 12.08.2019**

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EXPLANATORY STATEMENT

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

ITEM NO.2:

M/s, Annadevara Associates., was established in 1990. Firm (ICAI Firm Registration No — FRN 049738). (the 'Audit Firm') is a Firm of Chartered Accountants registered with The Institute of Chartered Accountants of India, It has Registered Office at Flat no 1-4. Excel Home. First Floor. Entrenchment Road. East Marredpally. Secunderabad — 500026. The Audit Firm also has valid Peer Review certificate

M/s. Annadevara Associates, 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. Annadevara Associates, 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 2019-20 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 M/s. Annadevara Associates, Chartered Accountants from the fees paid to outgoing Auditors M/s. Vijay Sai Kumar & Associates., Chartered Accountants.

c) M/s. Annadevara Associates is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm registration Number 04973S. The Firm provides range of services which include Audit & Assurance, Taxation, Accounting, Risk Advisory, Internal Audit, Management Audit, Risk Management, Information Systems Audit, Accounting compliance & Reporting, Taxation Strategy and Planning. Transfer Pricing. GST Advisory, Tax Compliance. Tax Audit. Valuations and other allied services. The audit firm practice has significant experience in auditing listed and Unlisted Companies

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.

ITEM NO 3:

Mr. Arjun Kumar Saladi was appointed as an Additional Director on 06.05.2019 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Independent Director' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting

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should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. Arjun Kumar Saladi (holding DIN: 08444994), for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Arjun Kumar Saladi as 'Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as Additional Director i.e. 06.05.2019 to 05.05.2024.

Accordingly, the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 3 of the notice for appointment of Mr. Arjun Kumar Saladi.

Save and except Shri Arjun Kumar Saladi, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

ITEM NO 4:

Mr. Gundala Raju (DIN: 01742710) is an Independent Director of the Company. The Members at the 31st AGM of the Company held on September 30, 2014 had approved the appointment of Mr. Gundala Raju as an Independent Director of the Company to hold office for a term of 5 (five) years up to 36th Annual General Meeting.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and based on his skills, experience, knowledge, and report of his performance evaluation and in terms of provisions of Sections 149, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Gundala Raju, being eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Mr. Gundala Raju for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from October 1, 2019 up to September 30, 2024.

Mr. Gundala Raju is a Member of the Audit Committee and the Nomination and Remuneration Committee and Stakeholder Relationship committee and Risk Management Committee of the Board of Directors of the Company. Mr. Gundala Raju has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Gundala Raju as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Gundala Raju as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 36th AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Gundala Raju as an Independent Director and on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, recommends the Special Resolution as set out at Item No.

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5 of the Notice of the AGM for approval of the members.

Save and except Mr. Gundala Raju Independent Director being an appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 4 of the accompanying Notice.

ITEM NO 5 & 6:

Mr. Abhilash Tumula was appointed as Additional Director on 22/03/2019 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Professional' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. Abhilash Tumula for the office of Director in Executive category.

Mr. Abhilash Tumula was appointed Whole Time Director for the term of 5 years i.e. w.e.f 22.03.2019 to 02.03.2024 in the Board Meeting held on 22.03.2019 subject to the approval of shareholders.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 22.03.2019, approved the change of Designation of Mr. Abhilash Tumula from Whole-time Director of the Company for a term of three years commencing from 29.06.2019 to 28.06.2022 with a remuneration of Rs. 1,00,000/- per month.

Accordingly the Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the item no. 5 & 6 of the notice for appointment of Mr. Abhilash Tumula.

Save and except Mr. Abhilash Tumula, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Information in accordance with Schedule V of Companies Act, 2013

I. GENERAL INFORMATION:

1	Nature of Industry : Manufacturing			
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 2002			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications			
	Particulars	2017-18 (Rs. in lakhs)	2016-17 (Rs. in lakhs)	2015-16 (Rs. in lakhs)
	Turnover	19138.72	14003.63	11260.44
	Net profit/loss after Tax	49.87	177.01	90.63
5	Foreign investments or collaborations, if any: Not ApplicableA			

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II. INFORMATION ABOUT THE APPOINTEE:

1	Background Details: Mr. Abhilash Tumula, aged about 30 years and has a Masters of Business Administration from Amity Global Business School with Business Management, Financial {Management Marketing, Income tax as some of the important topics of study. He is also a member of Institute of Company Secretary of India. He has vast experience in Secretarial and legal framework including SEBI & FEMA guidelines. He has been in the Company since 2014 and has thorough knowledge about the company business.
2	Past Remuneration: Rs. 1,00,000/- per month
3	Recognition or awards : Royal MSR Award
4	Job Profile and his suitability: Keeping the past record of Mr. Abhilash Tumula in mind and his contribution towards the Company, it is proposed to appoint him as a Whole Time Director of the Company.
5	Remuneration proposed: As set out in the explanatory statement for the item No.5 & 6 the remuneration to Mr. Abhilash Tumula, Executive Director at Rs. 1,00,000/-p.m which is the same what he is drawing at present. There is no increase in his remuneration.
6	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration of the size of the Company, the profile of Mr. Abhilash Tumula and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, he is not having any other Pecuniary relationship directly or indirectly with the Company.

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

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

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, 2019.

1. Financial summary/highlights:

The performance during the period ended 31st March, 2019 has been as under:

(Amount In Rs.)

Particulars	Standalone	
	2018-19	2017-18
Turnover/Income (Gross)	19138.72	14003.63
Other Income	11.22	18.51
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	645.21	610.23
Less: Depreciation/ Amortisation/ Impairment	311.81	310.54
Profit /loss before Finance Costs, Exceptional items and Tax Expense	333.40	299.69
Less: Finance Costs	230.81	97.03
Profit /loss before Exceptional items and Tax Expense	102.51	202.66
Add/(less): Exceptional items	--	--
Profit /loss before Tax Expense	102.51	202.66
Less: Tax Expense (Current & Deferred)	52.64	25.66
Profit /loss for the year (1)	49.87	177.06
Total Comprehensive Income/loss (2)	--	--
Total (1+2)	49.87	177.01
Balance of profit /loss for earlier years	49.87	177.01
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	--	--
Balance carried forward	49.87	177.01

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

The Directors wish to report that your company has achieved the turnover of Rs 19138.72 lakhs for the financial year ended 31.03.2019 as against Rs. 14003.63 lakhs for the financial year ended 31.03.2018. The Profit after tax stood at Rs. 49.87 Lakhs for the financial year ended 31.03.2019 as against Rs. 177.01 lakhs for the financial year ended 31.03.2018.

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 to Investor Education and Protection:

There is no such amount of Un-paid or Unclaimed Dividend be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2019.

8. Revision of financial statements:

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

9. 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.

10. Deposits from public:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2019 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Details of deposits not in compliance with the requirements of the Act:

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2019, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company would be complying with this requirement within the prescribed timelines.

11. 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.

12. 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.

13. 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.

14. Selection and procedure for nomination and appointment of directors:

The Company has a Nomination and Remuneration Committee (“NRC”) which is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, and financial condition and compliance requirements.

The NRC makes recommendations to the Board in regard to appointment of new Directors and Key Managerial Personnel (“KMP”) and senior management. The role of the NRC encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a Director’s appointment or re-appointment is required. The NRC is also responsible for reviewing the profiles of potential candidates’ vis-à-vis the required competencies, undertake a reference and due diligence and meeting of potential candidates prior to making recommendations of their nomination to the Board.

The appointee is also briefed about the specific requirements for the position including expert knowledge expected at the time of appointment.

15. Criteria for determining qualifications, positive attributes and independence of a director:

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and

independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations.

16. Training of Independent Directors:

Your Company's Independent Directors are highly qualified and have been associated with corporate and business organizations. They understand Company's business and activities very well, however, pursuant to Regulation 4 of the Listing Regulations, the Board has shown all the Independent Directors Company's business and manufacturing activities and were also introduced to Company's staff.

17. Training of Independent Directors:

Your Company's Independent Directors are highly qualified and have been associated with corporate and business organizations. They understand Company's business and activities very well, however, pursuant to Regulation 4 of the Listing Regulations, the Board has shown all the Independent Directors Company's business and manufacturing activities and were also introduced to Company's staff.

18. Independent director's familiarization programmes:

The familiarization program aims to provide the Independent Directors with the scenario within the software technology/services, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is hosted on your Company's website and its web link is <http://www.msrintia.in>

19. 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.

20. Managerial Remuneration and particulars of employees

Information pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure- 1 to this report.

Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten names and other particulars of employees also form part of this report. However, this information is not sent along with this report pursuant to the proviso to Section 136(1) of the Act. Any

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shareholder interested in obtaining a copy of the same may write to the Company Secretary/Compliance Officer at the registered office address of the Company.

21. 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.

22. 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, 2019

23. Audit Committee Recommendations :

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

24. Number of Board the Meetings:

During the year, Seven (7) 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.

25. Committees of the Board

In compliance with the provisions of Sections 177, 178 of the Act, the Board constituted, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee (Committees). The details of composition of the Committees, their meeting and attendance of the members are given in the Corporate Governance Report forming an integral part of this report.

A separate meeting of Independent Directors, pursuant to Section 149(7) read with Schedule VI of the Companies Act, 2013 and Regulation 25 of the Listing Regulations was held on 14 February, 2019.

26. 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.

- a) Appointment/Re-Appointment of Independent Directors of the Company:
- (i) appointment of Mr. Arjun Kumar Saladi (holding Director Identification Number 08444994) as independent director for the second consecutive term commencing from May 6, 2019 to May 5, 2024;
 - (ii) appointment of Mr. T. Abhilash Rao (holding Director Identification Number 06725012) as whole time Director of the company commencing from March 22, 2019 to March 21, 2024;
 - (iii) Re-appointment of Mr. Gundala Raju (holding Director Identification Number 01742710) as independent director for the second consecutive term commencing from October 1, 2019 to September 30, 2024;
 - (iv) Disclosure pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing

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Regulations”) with respect to Directors seeking re-appointment/appointment at the Meeting is given below:

Name of the Director	Mr. Arjun Kumar Saladi	Mr. T. Abhilash Rao	Mr. Gundala Raju
Date of Birth	10.03.1983	23.02.1988	06.08.1968
Qualification	B.Com graduate	MBA, CS	M.Tech
Expertise in specific functional areas	He has 15 years of expertise in marketing & sales in FMCG sector.	He has 8 years' Experience in Legal, Secretarial & Management issues.	He has technical expertise in Manufacturing Sector
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	--	--	--
Shareholding of non-executive directors.	--	--	--
No. of Shares held in the Company	NIL	NIL	NIL
Inter se relationship with any Director	None	None	None

b) Resignation of Directors:

- Mr.S. Koti Reddy, Independent Director of the Company resigned w.e.f. April 22, 2019 due to preoccupation with certain professional Responsibilities and personal commitments, and he further confirmed in his resignation letter dated April 22, 2019 that there were no other material reasons for his resignation other than those mentioned above.
- Mr. K.V.Rajasekhar Reddy, Managing Director of company resigned w.e.f March 18, 2019

c) Key Managerial Personnel:

Key Managerial Personnel for the financial year 2018-19

- 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.

During the year under review, Mr. T. Abhilash Rao was appointed as the Company Secretary of the Company with effect from March 22, 2019 in place of Mr. N P Chakravarthy who ceased to be the Company Secretary of the Company w.e.f. March 22, 2019.

27. Statutory audit and auditors report:

The existing auditors M/s. M/S Vijay Sai Kumar & Associates “ will retire at the ensuing Annual General Meeting on expiry of 5 years term. Accordingly, the appointment of M/s. Annadevara Associates, as statutory auditors of the Company, in place of retiring auditors is placed for approval by the shareholders. The Auditors' Report for fiscal 2019 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 Standalone audited financial results of the Company for the

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Financial Year ended March 31, 2019 from the statutory auditors of the Company.

The Board recommends the appointment of M/s. Annadevara Associates., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the 41st Annual General Meeting.

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.

28. 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. Sujatha, were appointed as Internal Auditors of the Company for the Financial Year 2018-19.

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 2019-2020.

29. 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 Mr. K.V. Chalama Reddy, Practicing Company Secretaries (CP No. 5451) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2019

The Secretarial Audit was carried out by Mr. K.V. Chalama Reddy, Company Secretaries (CP No. 5154) for the financial year ended March 31, 2019. The Report given by the Secretarial Auditor is annexed herewith as Annexure-I and forms integral part of this Report.

30. 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 May 14, 2019, 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.

31. No Frauds reported by statutory auditors

During the Financial Year 2018-19, 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.

32. 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:

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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:	2018-19	2017-18
No. of Units consumed	17,25,727	1098374
Unit Rate (Rs.)	7.80	6.98
Total Amount (Rs.)	1,36,15,968	76,64,196
Fuel:		
No. of Units Consumed (Ltrs)	28493	39049
Unit Rate (per Ltr.) (Rs.)	65.93	61.34
Total Amount (Rs.)	18,65,038	23,95,385

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.25.99 Lacs
2. Foreign Exchange Outgo: Nil

33. 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.

34. 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.

35. 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.

36. Code of Conduct for Prevention of Insider Trading :

During the year, MSR has amended the Code of Conduct for Prevention of Insider Trading in MSR Securities ("Code") in accordance with SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, which is effective from April 01, 2019. The amended Code

is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons and their immediate relatives.

37. 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, the extract of annual return under form MGT 9 is annexed herewith as Annexure- 3 to this report.

38. 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.

39. Policy on Directors appointment and Remuneration and other details:

The Board Governance, Nomination & Compensation Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website at www.msrandia.in

We affirm that the remuneration paid to Directors is in accordance with the remuneration policy of the Company.

40. 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 2019, 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

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view of the state of affairs of your Company as on 31 March 2019 and of the profit and loss of the Company for the financial year ended 31 March 2019;

- 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.

41. Vigil Mechanism/Whistle Blower Policy:

The Board of Directors has 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 has a vigil mechanism to deal with fraud and mismanagement, if any. The policy is on the website of the Company.

The policy provides for adequate safeguards against the victimisation of its employees who use the vigil mechanism. The vigil mechanism is overseen by the audit Committee.

42. Corporate social responsibility policy:

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

43. 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.

44. Insurance:

The properties and assets of your Company are adequately insured.

45. Particulars of loans, guarantees or investments:

The company has invested in Rs.50,00,000 in Canara Robeco Mutual Fund during the financial year .

46. 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.

47. Internal Financial Control Systems:

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control

systems with the Management and the internal auditors.

The internal audit is conducted at the Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

48. 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 2018-19, 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.

49. 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.

50. 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.msrintia.in.

51. 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

52. 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.

53. 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.

54. 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.msrandia.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.

55. 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 20th 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.

56. 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.

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- 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.

57. 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: 12.08.2019**

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

**Sd/-
Gundala Raju
Director
(DIN: 01742710)**

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.msrandia.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.msrintia.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, 2019, 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.

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- 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
Mr. K V Rajasekhar Reddy	None	Promoter Director	6	4	Yes	--	2	1
S Koti Reddy	None	Independent Director	6	6	Yes	--	4	2
Gundala Raju	None	Independent Director	6	6	Yes	--	3	0
Bharathi	None	Independent Director	6	6	Yes	--	3	1
T. Abhilash	None	Professional Director	NA	NA	NA	--	0	0
S. Arjun Kumar	None	Independent Director	NA	NA	NA	--	0	0

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 familiarisation program during the year, is placed on its website viz., www.msrandia.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 2018-19 on February 14, 2019, 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, 2019, 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, brining 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.

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- (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
Mr. Abhilash Tumula	
Mr. Arjun Kumar Saladi	
Audit Committee	4.36
Stakeholder Relationship Committee	4.34
Nomination & Remuneration Committee	4.67
Risk Management Committee	4.68

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;

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- (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;

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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 2019 are as under:

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Name	Designation	Category	No. of meetings held	No. of meeting attended
# Mr. S.Arjun Kumar	Chairman	NED(I)	--	--
Ms. Bharathi	Member	NED(I)	4	4
Mr. Gundala Raju	Member	NED(I)	4	4
* Mr. S.Koti Reddy	Chairman	NED(I)	4	4

*Resigned w.e.f 05.04.2019

Appointed w.e.f 06.05.2019

The Audit Committee met 4 times during the financial year 2018-19 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: 29th May 2018, 14th August 2018, 14th November 2018 and 14th February 2019. 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 29 September, 2018.

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.

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- 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 2018-19 on 14.02.2018 & 22.03.2019.

Name	Designation	Category	No. of meetings held	No. of meeting attended
#Mr. S. Arjun Kumar	Chairman	NED(I)	--	--
Ms. Bharathi	Member	NED(I)	2	2
Mr. Gundala Raju	Member	NED(I)	2	2
*Mr. S.Koti Reddy	Chairman	NED(I)	2	2

*Resigned w.e.f 05.04.2019

Appointed w.e.f 06.05.2019

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.

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- (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 2018-19, 4 meetings of the Committee were held on 29th May 2018; 14th August 2018; 14th November 2018 and 14th February 2019. 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 meeting attended
#Mr. S.Arjun Kumar	Chairman	NED(I)	--	--
Ms. Bharathi	Member	NED(I)	2	2
Mr. Gundala Raju	Member	NED(I)	2	2
*Mr. S.Koti Reddy	Chairman	NED(I)	2	2

*Resigned w.e.f 05.04.2019

Appointed w.e.f 06.05.2019

No Complaints were received during the financial year 2018-19

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.

MSR INDIA LIMITED

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 2018-19:

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	--
Number of complaints resolved	--
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2019	--
Complaints pending as on March 31, 2019	--
Number of Share transfers pending for approval, as on March 31, 2019	--

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

MSR INDIA LIMITED

(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 2018-19 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	–	–	–	–	–	–	–
Mr. S.Koti Reddy	–	–	–	–	–	–	–
K.V.Raja shekar Reddy	49,50,000	–	93,71,655	–	–	–	–

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 14.02.2019, 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.msrintia.com/InvestorRelations).

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 14.02.2019 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:

MSR INDIA LIMITED

Name	Designation	Category
Mr. T.Abhilash	Chairman	ED
Mr. Gundala Raju	Member	NED(I)
Mr. K.V.Rajasekhar Reddy	Member	NA

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:

MSR INDIA LIMITED

Financial Year	Date	Time	Location	Special / Ordinary Resolution
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: Regularization of Mrs. D. Bharathi as Director of the company.
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 beingeligible, 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"> 4. Regularization of Mrs. D. Bharathi as Director of the company.
2015-16	30-09-2016	10.30 AM	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 31.03.2016 2. To Declare the dividend on equity shares for the year ended 31.03.2016 3. To appoint a director in place of Mr. K V Rajasekhar Reddy, (DIN: 07120513), who retires by rotation and Being eligible, offers himself for re-appointment. 4. To appoint of M/s. Vijay Sai Kumar & Associates as statutory auditors of the company. <p>Special:</p> <ol style="list-style-type: none"> 1. Remuneration of Mr. K. V RajasekharReddy as Managing Director of the Company.

27. Passing of Resolutions By Postal Ballot

There were no resolutions passed by the Company through Postal Ballot during the financial year 2018-19.

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.msrintia.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.msrintia.in>

29. General shareholder information:**A. Annual general meeting:**

The 36th Annual General Meeting of the Company will be held as per the following schedule:

Day	Monday
Date	30th September, 2019
Time	09.00 a.m.
Venue	Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad -500055

B. Venue: Financial Year And Financial Year Calendar 2019-20 (Tentative Schedule)

The financial calendar (tentative) shall be as under:

Financial Year	2019-20
First Quarterly Results	14.08.2019
Second Quarterly Results	14.11.2019
Third Quarterly Results	14.02.2020
Fourth Quarterly Results	29.05.2020
Annual General Meeting for year ending 31st March, 2020	30.09.2020

MSR INDIA LIMITED

- C. Dividend Payment Date:** No Dividend was declared during the Financial Year 2018-19.
- D. Payment of Listing Fees:** The Company has paid annual listing fees for the financial year 2019-20 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).

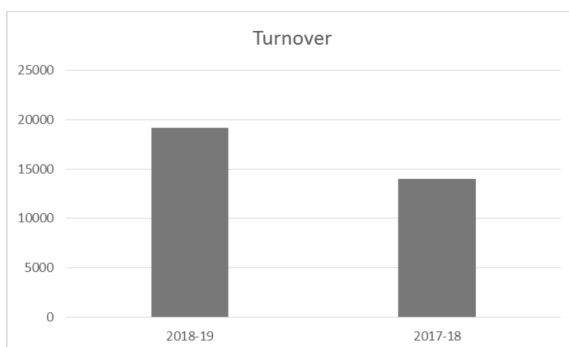
BSE Limited
MSRINDIA
Address: BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

F. Stock Market Price Data: BSE Limited

Bombay Stock Exchange(BSE)

Month	Open Price	High Price	Low Price	Close Price
Apr 18	39.95	50.00	1.96	39.15
May 18	37.95	42.85	1.95	38.90
Jun 18	37.15	39.80	--	21.85
Jul 18	23.90	29.50	2.04	17.95
Aug 18	18.15	21.20	2.04	16.05
Sep 18	16.50	22.50	2.00	15.20
Oct 18	15.20	16.05	2.00	11.05
Nov 18	11.00	16.80	--	15.26
Dec 18	14.65	15.95	2.00	12.35
Jan 19	12.35	13.26	1.90	8.65
Feb 19	8.99	14.00	2.35	11.90
Mar 19	11.35	12.89	--	11.50

G. Performance in comparison to Board based indices:



MSR INDIA LIMITED

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, 2019, 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 , 2019:

SL. NO.	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	941	70.22	119183	0.19
2	5001 - 10000	130	9.70	111458	0.18
3	10001 - 20000	79	5.90	125302	0.20
4	20001 - 30000	35	2.61	86000	0.14
5	30001 - 40000	11	0.82	37925	0.06
6	40001 - 50000	16	1.19	77204	0.12
7	50001 - 100000	41	3.06	309247	0.49
8	100001 & Above	87	6.49	62013681	98.62
	Total:	1340	100	62880000	100

MSR INDIA LIMITED

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, 2019 100% of the shares were held in Dematerialised form and the rest in physical form.

Particulars	No. of Shares	% Share Capital
NSDL	14153263	77.49
CDSL	48726737	22.51
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' entitlement for dividend shall be from Tuesday, the 24th day of September, 2019 to Monday, the 30th day of September, 2019 (both days inclusive).

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

MSR INDIA LIMITED

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

S. No	Category	No. of shares held	Percentage of shareholding
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

MSR INDIA LIMITED

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. Vijaysai Kumar & 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.Vijaysai Kumar & 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.msrintia.in

MSR INDIA LIMITED

- 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**

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

Place: Hyderabad
Date: 12.08.2019

MSR INDIA LIMITED

CODE OF CONDUCT:

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

Certificate of Code of Conduct for the year 2018-19 as per Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2018-19.

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

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

To
The Members
MSR India Limited
Hyderabad

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

I, S. Sarveswar Reddy, 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, 2019.

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, 2019:

List of Directors of the Company as on 31st March, 2019

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

For S.S. Reddy & Associates

S. Sarveswar Reddy
Practicing Company Secretary
C.P.No: 7478

Place: Hyderabad
Date: 12.08.2019

MSR INDIA LIMITED

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 2019 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

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 of
MSR India Limited**

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

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

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 of
MSR India Limited**

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

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, 2019

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, 2018 and ended 31st March, 2019, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. MSR India Limited ("The Company") for the financial year ended 31st March, 2019, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under ;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
5. 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; **including the provisions with regard to disclosures and maintenance of records required under the said Regulations;**
 - (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.msrintia.in**

MSR INDIA LIMITED

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018) ;
- (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, 2009; **Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review;**
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (up to 10th September, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September, 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 offered any shares or granted any options pursuant to any employee benefit scheme during the period under review;**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed the policies as mentioned below and displayed the same on the Company's website i.e www.msrandia.in
- Board Diversity Policy
 - Code of Conduct - BOD & Senior Management
 - Document Retention - Archival Policy
 - Familiarization Policy &Evaluation
 - Code for Prevention of Insider Trading
 - Nomination & Remuneration Policy
 - Policy on Sexual Harassment
 - Policy on Materiality of Disclosures
 - Policy on Related Party Transactions
 - Terms-Appointment of Independent Directors
 - Vigil Mechanism - Whistle Blower Policy

MSR INDIA LIMITED

6. The other laws, as informed and certified by the management of the Company which, are specifically applicable to the Company based on their sector/ industry are:

- (a) Income Tax Act, 1961 and its Rules
- (b) Goods and Services Tax Act, 2016 and its Rules
- (c) Shops and Establishment Act, 1988
- (d) Drugs Control Administration
- (e) Trade Licence from Greater Hyderabad Municipal Corporation
- (f) Acts relating to Pharmaceuticals and Bio-Pharma Sector
- (g) Clearance from Various Local Authorities.

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

7. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
8. Listing Agreements entered into by the Company with BSE Limited and Metropolitan Stock Exchange of India Limited.
9. 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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. except mentioned below.

The company is under GST Investigation

10. 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
 - (a) 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 complied by 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.
 - (b) 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.

MSR INDIA LIMITED

We further report that:-

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

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

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

We further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

Place: Hyderabad
Date: 12.08.2019

Sd/-
K.V.Chalama Reddy
Practicing Company Secretary
C. P. No: 5451

MSR INDIA LIMITED

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.

Place: Hyderabad
Date: 12.08.2019

Sd/-
K.V.Chalama Reddy
Practicing Company Secretary
C. P. No: 5451

MSR INDIA LIMITED

ANNEXURE - A

MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS :					
i.	CIN	L15122TG2002PLC039031			
ii.	Registration Date	27/05/2002			
iii.	Name of the Company	MSR INDIA LIMITED			
iv.	Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company			
v.	Address of the Registered office and contact details	MSR India Limited Plot No. D – 16, Road No. 73, Phase – IV Extn, Jeedimetta (V), Qutubullah Mandal, Hyderabad - 500055			
vi.	Whether listed company Yes / No	Yes			
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital and Corporate Investments Private Limited. 12-10-167, Bharat Nagar Hyderabad, Telengana-500018 Phone: +91 040-23818475/23818476/23868023 Fax: +91 040-23868024 Email: info@vcclindia.com			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:					
All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -					
Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company		
1	DR. COPPER	99611927	21.10		
2	FMCG	99622290	77.07		
3	NSTL	99611927	0.20		
4	Copper Bus Bars	99611927	1.63		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: –					
Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	N	N	N	NA	NA

MSR INDIA LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding: -									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/ HUF	46853930	--	46853930	74.51	46853930	-	46853930	74.51	--
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt. (s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (1)	46853930		46853930	74.51	46853930		46853930	74.51	--
(2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2): -	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	46853930		46853930	74.51	46853930		46853930	74.51	--
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt. (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) FPI	3751140		3751140	5.97	3450439		3450439	5.49	
i) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
j) Others (specify)	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.	1325051	--	1325051	2.11	386870		386870	0.62	(1.49)
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--

MSR INDIA LIMITED

i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	1236296	--	1233176	1.96	1695264	--	1695264	2.69	0.73
) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5732779	--	5732779	9.12	5684900	--	5684900	9.04	0.08
c) Others (specify)		--				--			
1. NRI	631628		631628	1.00	579093		579093	0.92	(0.08)
2. Clearing Members	3349176		3349176	5.33	4229504		4229504	6.73	1.40
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	16026070	--	16026070	25.49	16026070	--	16026070	25.49	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	62880000		62880000	100	62880000		62880000	100	--

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			%Change during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
	Description	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	Nil
1.	K V RAJASEKHAR REDDY	3001110	4.77	--	93716555	14.90	--	10.13
2.	PADMAVATHI K.	18741087	29.80	--	18741087	29.80	--	0
3.	M.DHEERAJ REDDY	7027907	11.18	--	7027907	11.18	--	0
4.	M. KANAKA VINDYA PRUDHVI REDDY	7027907	11.18	--	7027907	11.18	--	0
5.	M. MALLAREDDY	4685272	7.45	--	4685272	7.45	--	0

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	K V RAJASEKHAR REDDY	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3001110	4.77	3001110	4.77

MSR INDIA LIMITED

	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/sweat equity etc.)				
	At the End of the year (transfer)	0	0	93716555	14.90

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

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of The company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	JHP SECURITIES PVT.LTD.	3039685	4.83	3970285	6.31
2	GOPI KISHAN MALANI	1658581	2.64	1699595	4.70
3	ASPIRE EMERGING FUND	2027783	3.22	1727082	2.75
4	RAISONNEUR CAPITAL LTD	1552357	2.47	1552357	2.47
5	MANGA DEVI	870000	1.38	760660	1.21
6	MADHAVI KOTHA	710000	1.13	710000	1.13
7	PRITI MEHTA	620965	0.99	605565	0.96
8	RAKHI SOURABH BORA	25000	0.40	325342	0.52
9	JHP SECURITIES PVT.LTD.	246646	0.39	246646	0.39
10	GANGADHAR REDDY	230000	0.37	230000	0.37
	Date wise Increase /Decrease in Top ten shareholders Holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/ sweat equity etc.): NIL				
	At the End of the year	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
	K.V. RAJASEKHAR REDDY	3001110	4.7793716555	3001110	4.77
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):				
	At the End of the year		NIL	93716555	10.13
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2.	At the beginning of the year	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	SOMALA KOTI REDDY	NIL	NIL	NIL	NIL

MSR INDIA LIMITED

	Date wise Increase /Decrease in Directors and Key Managerial Personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year			--	--
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3.	At the beginning of the year	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	GUNDALA RAJU	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year			----	----
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4.	At the beginning of the year	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	BHARATHI	Nil	Nil	Nil	Nil
	Date wise Increase /Decrease in Directors and Key Managerial Personnel Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	1239.08	--	--	1239.08
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1239.08	--	--	1239.08
Change in Indebtedness during the financial year				
Addition		--	--	
Reduction				
Net Change	2284.06	--	--	2284.06
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	3523.14	--	--	3523.14
Total (i+ii+iii)	3523.14	--	--	3523.14
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
<i>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</i>				
Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager: K.V. RAJASEKHAR REDDY, Managing Director		Total Amount

MSR INDIA LIMITED

1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Rs. 49,50,000/- Per Annum			Rs. 49,50,000/- Per Annum
2.	Stock Option	-	-	--	--
3.	Sweat Equity	-	-	--	--
4.	Commission - as % of profit - Others, specify...	-	-	--	--
5.	Others, please specify	-	-	--	--
6.	Total (A)	Rs. 49,50,000/- Per Annum			Rs. 49,50,000/- Per Annum
7.	Ceiling as per the Act	-	-		--

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
3.	Independent Directors Fee for attending board /committee meetings	-	--	-	-	--
	Commission : Others, please specify					
	Total (1)	--	--	-	-	--
4.	Other Non-Executive Directors : Fee for attending board / committee meetings, commission, Others, please specify	--	--	-	-	--
	Total (2)	--	--	-	-	--
	Total (B)=(1+2)	--	--	-	-	--
	Total Managerial Remuneration	--	--	-	-	--
	Overall Ceiling as per the Act	--	--	-	-	--

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	4,53,000	8,94,000	13,47,000
2.	Stock	NIL	NIL	NIL	NIL
3.	Sweat	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - Others specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
6.	Total	-	4,53,000	8,94,000	13,47,000

The Remuneration paid

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

MSR INDIA LIMITED

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	--	-
Punishment	-	-	-	--	-
Compounding	-	-	-	--	-
B. DIRECTORS					
Penalty	-	-	-	--	-
Punishment	-	-	-	--	-
Compounding	-	-	-	--	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	--	-
Punishment	-	-	-	--	-
Compounding	-	-	-	--	-

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

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

ANNEXURE – II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors M/s MSR India Limited

Dear Sir,

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

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

Thanking You.

Yours Faithfully,

Date: 28.05.2019
Place: Hyderabad

Sd/-
S Arjun Kumar
(Independent Director)

MSR INDIA LIMITED

ANNEXURE – II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors M/s MSR India Limited

Dear Sir,

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

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

Thanking You.

Yours Faithfully,

Date: 28.05.2019
Place: Hyderabad

Sd/-
Mrs. Bharathi
(Independent Director)

MSR INDIA LIMITED

ANNEXURE – II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors M/s MSR India Limited

Dear Sir,

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

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

Thanking You.

Yours Faithfully,

Sd/-

Mr. Gundala Raju
(Independent Director)

Date: 28.05.2019

Place: Hyderabad

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 started its new plant at Chetlapotharam with new machinery imported from china, the company production capacity has increased to 2.00 lac bottles per month. The Company has also set up Copper smelting unit in this new facility, the company produces various thickness of Copper rods from this unit based on the requirement by clients. The Company has listed itself in Central Police canteen this year for selling Copper water bottles, the Company has acquired orders for its copper rods from some prestigious company's as follows:

1. Hyderabad Batteries Limited
2. G R Power Switch Gears Ltd
3. Toshiba Transmissions Ltd

The future is looking very bright for the company as the copper wastage from manufacturing of copper water bottles can be reused with the help of in-house smelting unit, this brings down the wastage and helps the company increase its profit margin. The Company's new business of manufacturing copper rods is also gaining momentum and is expected to play a major role in the company's growth.

b) Opportunities

- Untapped Market
- Growing Health Conscious
- Huge demand for Copper Rods

Threats

- Logistic costs
- Economic Slowdown
- Less Margins in Copper rods Manufacturing

c) Business performance and Segment Reporting:

During the year under review, the Company has recorded revenue of Rs.19138.72 Lakhs and made a net profit of Rs.49.87 Lakhs against revenue of Rs. 14,003.63 Lakhs and net profit of Rs. 177.00 Lakhs in the previous financial year 2017-18.

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

DR. Copper	21.10%
FMCG	77.07%
DRDO	0.20%
Copper Melting	1.63%

MSR INDIA LIMITED

d.) Business Outlook:

The Company is planning to increase the production capacity of Dr. Copper water bottles by 50% this year to meet the raising demand. The Company plans to diversify its copper manufacturing segment into various copper products which can be used at industrial and residential level.

e.) Risks and Concerns:

The Company used to depend on trading activities for major chunk of revenue, the company however has decided to stop all its trading activities as the margins are narrow which are leading to losses. The Company from now on will purely depend on manufacturing sector for its survival. The company has already ramped up its production and has entered into manufacturing copper rods, which have huge demand, this segment is expected to subdue the revenue loss created due to stopping of trading activities.

f) Internal Control System and its adequacy:

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

g) Human resources and Industrial relations:

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	11.92%	
Inventory turnover.	14.77%	
Interest coverage ratio.	1.36%	
Current ratio	1.26%	
Debt equity ratio	1.19%	
Operating profit margin (%)	0.60%	
Net profit margin (%) or, sector-specific equivalent ratios, as applicable]		0.37%

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

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

**Place: Hyderabad
Date: 12.08.2019**

MSR INDIA LIMITED

INDEPENDENT AUDITOR'S REPORT

To The Members of MSR India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **MSR INDIA LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, read with points mentioned in Emphasis of Matter paragraph, 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 the Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2019, its profit (including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion:

1. With reference to Note 4 regarding Plant & Machinery situated at one factory unit of the Company is generally operating at lower capacity. In the absence of future cash flow projection and information about the value in use, we are unable to comment upon its impairment provision, if any as per Accounting Standard 28 Impairment of Assets.
2. With reference to Note 10 regarding Trade Receivables of Rs. 19.96 crore as at 31st March 2019. Hence, in the absence of third-party confirmation, reconciliation, if any and other supportive audit evidence we are unable to comment upon such balances.
3. With reference to Note 12 regarding Capital Advances of Rs.64.73 lacs as at 31st March, 2019 given to various parties, the Company has not made any provision during the current year. The amount represents balances outstanding for more than five years in respect of projects of the Company which have not taken off. In the absence of third party confirmation, reconciliation, if any and other supportive audit evidence, we are unable to comment upon its recoverability in cash or kind, if any.
4. With reference to Note 15 regarding borrowings from Banks and NBFCs of Rs.5.15 crore as at 31st March, 2019.
5. With reference to Note 18 regarding Trade Payables of Rs. 5.66 crore as at 31st March 2019, in the absence of third-party confirmation, reconciliation, if any and other supportive audit evidence we are unable to comment upon such balances.

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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

MSR INDIA LIMITED

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

S.No.	Key Audit Matters	Substantive Audit Procedures
1.	Refer to items mentioned under Basis for Qualified Opinion paragraph above.	Our audit procedures include substantive audit procedures pertaining to the matters referred therein.

Management's Responsibility for the Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue 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 the 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As a part of an audit in accordance with the SAs, we exercise professional judgment and 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating

effectiveness of such controls.

- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among the matters, the planned scope and timing of 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.

Emphasis of Matter:

- 1.) The management has stated that during the year, the company is mainly manufacturing copper water bottles. We conducted our audit only on the copper water bottle project and the management has stated that during the year a new plant has been set up at IDA Jinnaram, Medak District in which commercial production has been started viz., Copper Bus Bars, Rods and other allied products. Therefore, we relied on the management and conducted our audit on test basis and obtained conclusions.
- 2.) The Company has not adopted Indian Accounting Standards (Ind AS) for the year then ended, 2019 and has followed accounting in old method of Accounting Standards and hence the company is not in compliance with the requirements of Section 133 of the Companies Act, 2013.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-B statement on the matters specified in the paragraph 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

MSR INDIA LIMITED

- d) Except for the effects of the matters described in the Basis of Qualified Opinion paragraph, and read with points mentioned in Emphasis of Matter paragraph, in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

B. Vijay Sai Kumar
Proprietor
Membership No.027813

Hyderabad
Date: 28-05-2019

MSR INDIA LIMITED

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report to the members of MSR INDIALIMITED of even date)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
 - d. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- (iii) According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- (iv) In our opinion and according to information and explanation given to us, the company complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.
- (vi) 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 same.
- (vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the

MSR INDIA LIMITED

appropriate authorities.

- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable
- (viii) According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to banks, financial institutions and government.
- (ix) The term loans taken during the year have been applied for the purposes for which those are raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) 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.
- (xii) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- (xvi) 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.

Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

Sd/-
B. Vijay Sai Kumar
Proprietor
Membership No.027813

Hyderabad
Date: 28-05-2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **MSR INDIA LIMITED** of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MSR INDIA LIMITED as at March 31, 2019, 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 board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) 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.

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Vijay Sai Kumar & Associates
Chartered Accountants
FRN: 004694S

Sd/-
B. Vijay Sai Kumar
Proprietor
Membership No.027813

Hyderabad
Date: 28-05-2019

MSR INDIA LIMITED

Standalone Balance Sheet

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

	Note	As at 31-Mar-2019	As at 31-Mar-2018
Assets			
Non-current assets			
Property, plant and equipment	4	30,49,61,435	25,48,34,952
Capital work-in-progress			
Intangible assets	5	64,010	85,346
Financial assets			
Investments			
Loans	6	31,02,295	5,83,854
Deferred Tax Assets (net)	7	3,32,094	15,52,376
Other non-current assets		-	-
		30,84,59,834	25,70,56,528
Current assets			
Inventories	8	25,06,53,345	9,20,36,955
Financial assets			
Investments	9	50,00,000	-
Trade receivables	10	19,96,12,608	13,18,87,578
Cash and cash equivalents	11	5,69,080	4,41,190
Other bank balances	11	4,50,000	1,15,000
Other current assets	12	64,73,642	4,99,25,400
		46,27,58,676	27,44,06,124
Assets held for sale			
Total assets		77,12,18,510	53,14,62,652
Equity and Liabilities			
Equity			
Equity share capital	13	31,44,00,000	31,44,00,000
Other equity	14	3,87,11,215	3,37,24,310
Total equity		35,31,11,215	34,81,24,310
Non-current liabilities			
Financial Liabilities			
Borrowings	15	5,15,49,638	60,99,888
Other non current liabilities			
Provisions		-	-
		5,15,49,638	60,99,888
Current liabilities			
Financial Liabilities			
Borrowings	17	30,07,64,118	11,78,07,853
Trade payables	18	5,66,23,800	5,53,65,837
Other financial liabilities		-	-
Other current liabilities	16	91,69,739	40,64,764
Provisions		-	-
Total liabilities		36,65,57,657	17,72,38,454
Total equity and liabilities		77,12,18,510	53,14,62,652
		0	0
Summary of significant accounting policies	3		

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

for VIJAY SAI KUMAR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004694S

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

Sd/-
B VIJAY SAI KUMAR
Proprietor
Membership No.: 027813

Sd/-
ABHILASH TUMULA
Managing Director
DIN: 06725012

Sd/-
GUNDALA RAJU
DIRECTOER
DIN : 01742710

Place: Hyderabad
Date: 28-May-2019

Sd/-
CH D A D V PRASAD
Chief Financial Officer

Sd/-
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-2019	For the year ended 31-Mar-2018
Revenue from operations	19	1,69,91,87,340	1,22,25,17,384
Other income	20	11,22,215	18,50,765
Total income		1,70,03,09,555	1,22,43,68,149
Expenses			
Cost of Material Consumed	21	1,59,94,80,492	1,08,10,03,167
Changes in Inventories	22	(6,98,97,689)	(3,00,46,288)
Employee benefits expenses	23	4,40,65,608	3,42,45,545
Depreciation and amortisation expense	24	3,11,81,453	3,10,53,674
Finance costs	25	2,31,09,617	97,02,759
Other expenses	26	6,21,18,825	7,62,40,615
Total expense		1,69,00,58,306	1,20,21,99,472
Profit before tax		1,02,51,249	2,21,68,677
Tax expenses			
Current tax		40,44,062	63,43,918
Deferred tax charge	7	12,20,282	(18,76,305)
Total tax expense		52,64,344	44,67,613
Profit for the year		49,86,905	1,77,01,064
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		49,86,905	1,77,01,064
Earnings per equity share (nominal value of INR 10) in INR	35	0.08	0.28
Basic and Diluted			
Summary of significant accounting policies	3		

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

for VIJAY SAI KUMAR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004694S

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

Sd/-
B VIJAY SAI KUMAR
Proprietor
Membership No.: 027813

Sd/-
ABHILASH TUMULA
Managing Director
DIN: 06725012

Sd/-
GUNDALA RAJU
DIRECTOR
DIN : 01742710

Place: Hyderabad
Date: 28-May-2019

Sd/-
CH D A D V PRASAD
Chief Financial Officer

Sd/-
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-Mar-2019	For the year ended 31-Mar-2018
Operating activities		
Profit before tax	1,02,51,249	2,21,68,677
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	3,11,81,453	3,10,53,674
Profit on sale of assets		
Finance income (including fair value change in financial instruments)	(1,22,913)	(4,45,825)
Finance costs (including fair value change in financial instruments)	2,31,09,617	97,02,759
Advance/Bad Debt Written off		
Written of Investments		
Unrealized foreign exchange loss/gain		
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(6,77,25,030)	7,45,75,725
(Increase)/ decrease in inventories	(15,86,16,390)	5,81,49,301
Increase/ (decrease) in loans	18,04,37,824	-
(Increase)/ decrease in other assets	4,34,51,758	(1,66,49,163)
Increase/ (decrease) in trade payables and other financial liabilities	12,57,963	(13,99,32,528)
Increase/ (decrease) in provisions	51,04,975	40,10,861
Increase/ (decrease) in other financial liabilities	-	-
	6,83,30,506	4,26,33,481
Income tax paid	(40,44,062)	(63,43,918)
Net cash flows from operating activities	6,42,86,444	3,62,89,563
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(8,12,86,596)	(2,78,33,983)
Proceeds from sale of fixed assets	-	-
Other bank balances	(3,35,000)	-
Interest received (finance income)	1,22,913	4,45,825
Investments	(50,00,000)	-
Net cash flows used in investing activities	(8,64,98,683)	(2,73,88,158)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	4,54,49,750	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	(2,31,09,617)	(97,02,759)
Unrealized foreign exchange loss/gain	-	-
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	2,23,40,133	(97,02,759)
Net increase / (decrease) in cash and cash equivalents	1,27,894	(8,01,354)
Cash and cash equivalents at the beginning of the year	4,41,190	9,29,248
Cash and cash equivalents at the end of the year	5,69,084	1,27,894
Summary of significant accounting policies		

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

for VIJAY SAI KUMAR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004694S

Sd/-
B VIJAY SAI KUMAR
Proprietor
Membership No.: 027813

Place: Hyderabad
Date: 28-May-2019

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

Sd/-
ABHILASH TUMULA
Managing Director
DIN: 06725012

Sd/-
CH D A D V PRASAD
Chief Financial Officer

Sd/-
GUNDALA RAJU
DIRECTOER
DIN : 01742710

Sd/-
ABHILASH TUMULA
Company Secretary

MSR INDIA LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2019

(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, 2017	6,28,80,000	31,44,00,000
At March 31, 2018	6,28,80,000	31,44,00,000
At March 31, 2019	6,28,80,000	31,44,00,000

b. Other equity

Particulars	Reserves and Surplus				Total
	Share Premium	Equity component of CCPS	Foreign exchange Translation Reserve	Retained Earnings	
At April 1, 2017	4,37,129			1,55,86,117	1,60,23,246
Profit for the year				1,77,01,064	1,77,01,064
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans					-
Income-tax effect				-	-
At March 31, 2018	4,37,129	-	-	3,32,87,181	3,37,24,310
Profit for the year				49,86,905	49,86,905
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans, net of tax				-	-
Income-tax effect				-	-
Balance as of 31 March 2019	4,37,129	-	-	3,82,74,086	3,87,11,215

Summary of significant accounting policies

1 to 5

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

for VIJAY SAI KUMAR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004694S

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

Sd/-
B VIJAY SAI KUMAR
Proprietor
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Place: Hyderabad
Date: 28-May-2019

Sd/-
CH D A D V PRASAD
Chief Financial Officer

Sd/-
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 500015. 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, 2019 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 28 th May, 2019. 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.

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:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- 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

2.5 Critical accounting judgements and key sources of estimation uncertainty Operating cycle

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.

Investment in equity instruments of subsidiary companies

During the year, the Company has not invested in any equity instrument of subsidiary companies.

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair

MSR INDIA LIMITED

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.

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

MSR INDIA LIMITED

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

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.

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. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the income statement as incurred.

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 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. Description* Useful life (in years) Medical equipments 3 to 10 years Plant and equipment 10 years Computers 5 years Vehicles 5 years

*for these class of assets, the Management believes, based on technical evaluation carried out by them internally, that the useful life as given above best represent the period over which the Management expects to use these assets. Hence, the useful life for these assets is different from the useful life as in Schedule II of the Act. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation is charged on a proportionate basis for all property, plant and equipment purchased and sold during the year.

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a tangible asset, is capitalized as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognized as expense as incurred. The capitalized costs are amortized over the estimated useful life of the software or the remaining useful life of the tangible fixed asset, whichever is lower.

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 medical consumables, drugs and surgical equipments 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 sellingprice.

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

The inventories of medical consumables, drugs and surgical equipments 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 sellingprice.

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 cashmanagement.

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-generatingunit").

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 beimpaired.

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.

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 recognitionThe 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 measurementFinancial assetsOn 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 assessmentThe 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 interestFor 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

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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.

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, 2017 (Refer note a)	5,92,71,161	4,20,21,648	1,52,00,000	17,54,66,707	22,500	34,80,286	17,58,775	68,12,049	30,41,33,126
Additions	1,86,08,700	-	-	18,69,998	-	9,61,944	32,394	63,60,947	2,76,33,983
Deletions	-	-	-	-	-	-	-	-	-
At March 31, 2018	7,78,79,861	4,20,21,648	1,52,00,000	17,73,36,705	22,500	44,42,230	17,91,169	1,32,72,996	33,19,67,109
Additions	3,75,00,000	2,25,29,212	-	63,93,551	1,56,959	79,53,288	1,84,110	65,69,476	8,12,86,596
Deletions	-	-	-	-	-	-	-	-	-
At March 31, 2019	11,53,79,861	6,45,50,860	1,52,00,000	18,37,30,256	1,79,459	1,23,95,518	19,75,279	1,98,42,472	41,32,63,705
Accumulated depreciation									
At April 1, 2017	-	34,81,758	30,02,962	3,40,71,297	15,740	7,11,063	17,36,705	30,71,112	4,60,90,637
Charge for the year	-	-	-	-	-	-	-	-	-
Less- Adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2018	-	53,07,367	35,80,734	5,96,86,822	16,613	11,94,782	17,64,284	55,81,535	7,71,32,157
Charge for the year	-	35,95,108	11,03,830	2,23,71,660	9,142	11,05,724	34,271	29,40,358	3,11,60,113
Less- Adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2019	-	89,02,495	46,84,564	8,20,58,502	25,755	23,00,506	17,98,555	85,21,893	10,82,92,270
Carrying amount									
At April 1, 2017	5,92,71,161	3,85,39,890	1,21,97,038	14,13,95,410	6,760	27,69,223	22,070	38,40,937	25,80,42,489
At March 31, 2018	7,78,79,861	3,67,14,261	1,16,19,266	11,76,49,883	5,887	32,47,448	28,885	76,91,461	25,48,34,952
At March 31, 2019	11,53,79,861	5,56,48,365	1,05,15,436	10,16,71,754	1,53,704	1,00,95,012	1,76,724	1,13,20,579	30,49,61,435

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 XXXX (March 31, 2017 - INR XXXX) are subject to a first charge to secure the Company's bank loans.

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5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At April 1, 2017(refer note a)	1,30,000		1,30,000
Additions			-
Deletions			
At March 31, 2018	1,30,000	-	1,30,000
Additions		-	
Deletions			
At March 31, 2019	1,30,000	-	1,30,000
Accumulated depreciation			
At April 1, 2017			-
Charge for the year	32,500		32,500
Less: Adjustments			
At March 31, 2018	44,654	-	44,654
Charge for the year	21,337		21,337
Less: Adjustments			-
At March 31, 2019	65,991	-	65,991
Carrying amount			
At April 1, 2017	1,30,000	-	1,30,000
At March 31, 2018	85,346	-	85,346
At March 31, 2019	64,010	-	64,010

Note

a) For intangible assets existing as on the date of transition to Ind AS, i.e., April 1, 2018, the Company has used Indian GAAP carrying value as deemed costs.

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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 2019	31-Mar-2018
Security deposits	31,02,295	5,83,854
	31,02,295	5,83,854
Note: These financial assets are carried at amortised cost		
7 Deferred Tax Assets (Net)	31-Mar-2019	31-Mar-2018
(i) Deferred Tax Assets		
Opening Balance	15,52,376	18,76,305
Adjustment/Credit During the year	12,20,282	3,23,929
Closing Balance	3,32,094	15,52,376
(ii) Deferred Tax Liability		
Opening Balance	-	-
Adjustment/Credit During the year	-	-
Closing Balance	-	-
(iii) Deferred Tax Asset/Liability Net (i-ii)	3,32,094	15,52,376
8 Inventories	31-Mar-2019	31-Mar-2018
Stock In Trade	25,06,53,345	9,20,36,955
	25,06,53,345	9,20,36,955
9 Investments	31-Mar-2019	31-Mar-2018
Canara Robeco Mutual Fund - Growth	50,00,000	-
Total Investments	50,00,000	-

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Notes forming part of the financial statements

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

10 Trade receivables	31-Mar-2019	31-Mar-2018
Unsecured, considered good	19,96,12,608	13,18,87,578
Unsecured, considered doubtful		
	19,96,12,608	13,18,87,578
Loss allowance		
Total Trade receivables	19,96,12,608	13,18,87,578
11 Cash and bank balances	31-Mar-2019	31-Mar-2018
Cash and cash equivalents		
Balances with banks:		
- On current accounts	2,21,227	3,78,750
Cash on hand	3,47,853	62,440
Total Cash and cash equivalents	5,69,080	4,41,190
Other bank balances		
Term deposits with Banks with original maturities of less than 1	4,50,000	1,15,000
Total Other bank balances	4,50,000	1,15,000
*Represents margin money deposits against bank guarantees, letter of credit and term loans.		
12 Other Current Assets	31-Mar-2019	31-Mar-2018
(a) Advances to Capital Goods		
-Unsecured (Considered good)	3,12,23,562	4,97,14,365
(b) Other Advances		
-Secured (Considered good)	56,201	21,035
-Unsecured (Considered good)	(2,48,06,121)	1,90,000
Total Other Current Assets	64,73,642	4,99,25,400

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Notes forming part of the financial statements

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

13 Share Capital

	31-Mar-2019	31-Mar-2018	01-Apr-2017
Authorised Share Capital			
6,40,00,000 equity shares of Rs. 5 each	32,00,00,000	32,00,00,000	
Issued, subscribed and fully paid-up			
6,28,80,000 equity shares of Rs. 5/- each fully paid-up	31,44,00,000	31,44,00,000	
	31,44,00,000	31,44,00,000	-

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

Particulars	31-Mar-2019		31-Mar-2018	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	6,28,80,000	31,44,00,000	6,28,80,000	31,44,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	6,28,80,000	31,44,00,000	6,28,80,000	31,44,00,000

(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 shareholders holding more than 5% shares in the Company

Particulars	31-Mar-2019		31-Mar-2018	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
Padmavathi Kakanuri	1,87,41,087	29.80%	1,87,41,087	29.80%
M Kanaka Vindhya Prudhvi Reddy	70,27,907	11.18%	70,27,907	11.18%
K V Rajasekhar Reddy	93,71,655	14.90%	30,01,110	4.77%
M Dheeraj Reddy	70,27,907	11.18%	70,27,907	11.18%
K Vijayalakshmi	102	0.00%	63,70,647	10.13%
M Malla Reddy	46,85,272	7.45%	46,85,272	7.45%
Total	4,68,53,930	74.51%	4,68,53,930	74.51%

k vijayalakshmi shares have been transferred to k v rajasekhar reddy her son through intra transfer

14 Other equity

	31-Mar-2019	31-Mar-2018
Share premium		
Opening balance		
Add: Premium on fresh issue	4,37,129	4,37,129
Closing balance	4,37,129	4,37,129
Equity component of CCPS		
Opening balance		
Add:	-	-
Closing balance	-	-
Retained earnings		
Opening balance	3,32,87,181	1,55,86,117
Profit/(loss) for the year	49,86,905	1,77,01,064
Other comprehensive income		
Less: Transfers to general reserve		
Closing balance	3,82,74,086	3,32,87,181
Total other equity	3,87,11,215	3,37,24,310

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

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15 Borrowings	31-Mar-2019	31-Mar-2018
Non-current Borrowings		
Secured loans		
Term loans		
- From banks (refer note A below)	4,20,59,463	59,61,757
Equipment loans		
- From bank (refer note B below)	-	-
Vehicle loans		
- From banks (refer note C below)	94,90,175	1,38,131
Total non-current borrowings	5,15,49,638	60,99,888
A. Term loans from banks and others consist of:		
B. Equipment loan from bank consists of:		
C. Vehicle loans from banks consist of:		
16 Other liabilities	31-Mar-2019	31-Mar-2018
Statutory dues Payable	9,31,986	(20,53,770)
Employee Benefit Expenses Payable	53,89,208	46,68,399
Advance received for sale of asset		
Sundry Creditors - Others	28,48,545	14,50,134
	91,69,739	40,64,764
17 Current Financial Liabilities - Borrowings		
Short Term Borrowings		
-From Banks		
Secured (Secured by hypothecation of Stock in trade and book debts, both present and future of the Company)	30,07,64,118	11,78,07,853
	30,07,64,118	11,78,07,853
18 Trade payables	31-Mar-2019	31-Mar-2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note XX)		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,66,23,800	5,53,65,837
	5,66,23,800	5,53,65,837

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19 Revenue from operations	31-Mar-2019	31-Mar-2018
Revenue from Exports	24,99,420	10,48,650
Revenue from Domestic	1,69,66,87,920	1,22,14,68,734
	1,69,91,87,340	1,22,25,17,384
Other operating revenue		
	1,69,91,87,340	1,22,25,17,384
20 Other income	31-Mar-2019	31-Mar-2018
Interest income	1,22,913	4,45,825
Discount Received	9,99,302	14,04,940
Miscellaneous income	-	-
	11,22,215	18,50,765
21 Cost of Material Consumed		
Opening Stock of Raw Materials	5,17,07,782	2,36,04,769
Add: Purchase of Raw Materials	1,68,81,99,193	1,10,91,06,180
	1,73,99,06,975	1,13,27,10,949
Less: Closing Stock of Raw Materials	14,04,26,483	5,17,07,782
	1,59,94,80,492	1,08,10,03,167
22 Changes in Inventories	31 March 2019	31 March 2018
Opening Stock Of		
Finished Goods	3,53,49,615	78,47,642
Semi Finished Goods and In Process	49,79,558	24,35,243
Less : Closing Stock Of		
Finished Goods	2,39,16,110	3,53,49,615
Semi Finished Goods and In Process	8,63,10,752	49,79,558
	(6,98,97,689)	(3,00,46,288)
23 Employee benefits expense	31-Mar-2019	31-Mar-2018
Salaries, wages and bonus	4,30,81,091	3,25,93,552
Contribution to provident and other funds	5,40,533	9,97,324
Staff welfare expenses	4,43,984	6,54,669
	4,40,65,608	3,42,45,545

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24 Depreciation and amortisation expense	31-Mar-2019	31-Mar-2018
Depreciation of tangible assets	3,11,81,453	3,10,53,674
Amortization of intangible assets		
	3,11,81,453	3,10,53,674
25 Finance costs	31-Mar-2019	31-Mar-2018
Interest on term loans, equipment loans and vehicles loans	32,20,285	11,10,760
Interest on working capital loan and cash credit	1,73,59,339	74,94,357
Other borrowing cost	22,42,442	-
Bank Charges	2,87,551	10,97,642
	2,31,09,617	97,02,759
26 Other expenses	31-Mar-2019	31-Mar-2018
A. Other Manufacturing Expenses		
-Stores, Spares & Tools Consumed	11,31,196	25,81,370
-Consumption of Power, Fuel & Water	1,36,15,968	76,64,196
- Contractual Job for Process	9,19,019	49,43,258
- Handling & Transportation	7,41,038	97,821
Sub Total (A)	1,64,07,221	1,52,86,645
B. Repairs & Maintenance & Other Overhaul Expenses		
-Building	31,08,835	73,43,679
-Machinery	3,26,894	-
-Others	-	-
Sub Total (B)	34,35,729	73,43,679
C. Administration and Selling & Distribution Expenses		
-Insurance	7,91,817	5,31,394
-Audit Fee	2,69,800	3,65,000
-Security Charges	12,47,015	7,39,962
-Rent	15,18,104	15,78,820
-Rates and Taxes	6,71,101	32,73,526
-Travelling and Conveyance	60,89,960	47,03,285
-Business promotion and Advertisement expenses	92,62,432	2,10,53,837
-Printing and Stationary	5,38,503	8,84,426
-Communication Expenses	2,78,770	3,43,168
-General Office Expenses	16,38,832	9,80,385
-Sales Commission	1,30,10,737	1,41,60,166
-Carriage Outwards	49,61,154	19,31,357
-Repairs and Maintenance others	5,80,451	7,51,435
-Legal and Professional Charges	11,67,201	16,39,781
-Registration, License and Filing Charges	2,50,000	6,73,750
Sub Total (C)	4,22,75,876	5,36,10,291
Total (A)+(B)+(C)	6,21,18,825	7,62,40,615

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27 Contingent liabilities and commitments

Particulars	As at 31-Mar-19	As at 31-Mar-18	As at 31-Mar-17
i) Contingent liabilities:			
- 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:			
- 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 legal proceedings and claims, which have arisen in the ordinary course of business including litigation before tax authorities and including matters mentioned above. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the claimants or the Company, as the case may be, and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. The Management believes that it has a reasonable case in its defense of the proceedings and accordingly no further provision is required.

28 Compliance with Memorandum of Understanding

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
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL
NIL	NIL

NIL

b) Details of all transactions with related parties during the year:

Particulars	31-Mar-19	31-Mar-18
NIL	NIL	NIL

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*Does not include insurance, which is paid for the Company as a whole and gratuity and compensated absences as this is provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

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

Particulars		As at 31-Mar-19	As at 31-Mar-18	As at 31-Mar-17
i)	NIL	0	0	0
	NIL	-	-	-
	NIL	-	-	-
ii)	NIL	-	-	-
	NIL	-	-	-
	NIL	-	-	-
iii)	NIL	-	-	-
	NIL	-	-	-

d) 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, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017 - Nil; April 1, 2016 - Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

30 Segment information

31 Legal and professional charges include auditors' remuneration

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Statutory audit fee	1,00,000	1,00,000	1,00,000
Other services	75,000	75,000	75,000
Out of pocket expenses	25,000	25,000	25,000
Total	2,00,000	2,00,000	2,00,000

32 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:"

MSR INDIA LIMITED

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
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-19	31-Mar-18
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

Assumptions	31-Mar-19	31-Mar-18
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-19	31-Mar-18
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.

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33 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-19	31-Mar-18	31-Mar-17
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

34 Leases

Where the Company is a lessee:

The Company has taken various medical equipment, hospital premises, office and residential premises under operating leases. The leases typically run for a term ranging from one to twenty years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

ii) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Not later than 1 year	0	0	0
Later than 1 year and not later than 5 years	0	0	0
Later than 5 years	0	0	0

ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Cancellable lease expense	0	0	0
Non - cancellable lease expense	0	0	0
Total	0	0	0

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35 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.

35 Earnings per share (Continued)

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

Particulars	31-Mar-19	31-Mar-18
Profit for the year	49,86,905	1,77,01,064
Less: Preference dividend for the year		
Less: Tax on preference dividend		
Profit attributable to equity share holders	49,86,905	1,77,01,064
Shares		
Weighted average number of equity shares outstanding during the year – basic and	6,28,80,000	6,28,80,000
Earnings per share of par value 10 – basic and diluted ()	0.08	0.28

36 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, 2019 and March 31, 2018. 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, 2019 and March 31, 2018.

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:

MSR INDIA LIMITED

	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2019		
INR	+1%	
INR	-1%	
March 31, 2018		
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-19	31-Mar-18	1-Apr-17
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, 2019, March 31, 2018 and April 1, 2017. 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, 2019						
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
Year ended March 31, 2018						
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
As at April 1, 2017						
Borrowings	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0

37 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."

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The capital structure as of March 31, 2019, March 31, 2018 and April 1, 2017 was as follows:

Particulars	31-Mar-19	31-Mar-18	1-Apr-17
Total equity attributable to the equity shareholders of the Company	31,44,00,000	31,44,00,000	31,44,00,000
As a percentage of total capital	100%	100%	100%
Long term borrowings including current maturities	5,15,49,638	60,99,888	20,83,647
Short term borrowings	30,07,64,118	11,78,07,853	-
Total borrowings	35,23,13,756	12,39,07,741	20,83,647
As a percentage of total capital	112.06%	39.41%	0.66%
Total capital (equity and borrowings)	66,67,13,756	43,83,07,741	31,64,83,647

38 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, 2019 including the comparative information for the year ended March 31, 2018 and the opening standalone Ind AS balance sheet on the date of transition i.e. April 1, 2017. 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."

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.

MSR INDIA LIMITED

– 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, 2018 and April 1, 2017

Particulars	As at March 31, 2018	As at April 1, 2017
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

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, 2019

Particulars	Year ended March 31, 2019
Net Profit under previous GAAP	49,86,905
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	49,86,905
Other comprehensive income	-
Actuarial gains/(losses) on post-employment benefit obligations	-
Total comprehensive income under Ind AS	49,86,905

for VIJAY SAI KUMAR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 004694S

Sd/-
B VIJAY SAI KUMAR
Proprietor
Membership No.: 027813

Place: Hyderabad
Date: 28-May-2019

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

Sd/-
ABHILASH TUMULA
Managing Director
DIN: 06725012

Sd/-
CH D A D V PRASAD
Chief Financial Officer

Sd/-
GUNDALA RAJU
DIRECTOER
DIN : 01742710

Sd/-
ABHILASH TUMULA
Company Secretary

MSR INDIA LIMITED

Form No. MGT-11

Proxy form

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

CIN : L15122TG2002PLC039031
Name of the company: MSR India Limited
Registered office : Plot No. D-16, Road No.73, Phase IV,
Extn, Jeedimetla, Hyderabad -500055
Venue of AGM : Registered Office of the Company
Date & Time : Monday,30th September,2019 at 9.00 a.m

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :

Address : _

E-mail Id :

Signature:, or failing him

2. Name :

Address:

E-mail Id :

Signature:, or failing him

3. Name :

Address:

E-mail Id :

Signature:, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on the Monday, 30th September, 2019 at 9.00 AM at Registered Office of the Company at Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad -500055 and at any adjournment thereof in respect of such resolutions as are indicated below:

MSR INDIA LIMITED

Resolutions:

1. To adopt Standalone Financial Statements of the Company including Report of Board of Directors and Auditors for FY 2018-19.
2. Appointment of M/s. MSKA & Associates, as Statutory Auditors and to fix their remuneration.
3. Appointment of Mr. Arjun kumar saladi 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:
6. Appointment of Mr. Abhilash Tumula as whole time director of the company:

Signed this _____ day of _____ 2019

Signature of the Member _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MSR India Limited

CIN: L15122TG2002PLC039031

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

E-mail: info@msrindia.in www.msrindia.in

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 36th Annual General Meeting of the members of the company to be held on Monday, 30th day of September, 2019 at 9.00 A.M. at the Registered Office of the Company at Plot No. D-16, Road No.73, Phase IV, Extn, Jeedimetla, Hyderabad - 500055 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____

(In block letters)

Folio No./ Client ID _____

No. of shares held _____

Note:

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

ROUTE MAP FOR AGM VENUE



If Undelivered please return to :

MSR INDIA LIMITED

PLOT NO-D-16, ROAD NO-73, PHASE-IV, IDA,
JEEDIMETLA, HYDERABAD – Telangana 500055