

SIXTEENTH ANNUAL REPORT 2018-19



FACOR ALLOYS LIMITED

CORPORATE INFORMATION**Board of Directors****R.K. Saraf**

Chairman & Managing Director

Ashim Saraf

Joint Managing Director

Anurag Saraf

Joint Managing Director

Rohit Saraf**K. Jayabharat Reddy****A. S. Kapre****K. L. Mehrotra****Mrs. Urmila Gupta****S.S. Sharma**General Manager (Legal) &
Company Secretary**Executives****M.D. Saraf**

President

M.S.S. Sarma

Chief Executive

O.P. Saraswat

Dy. Chief Financial Officer

BankersBank of India
Central Bank of India
State Bank of India
Syndicate Bank**Solicitors**Mulla & Mulla and Craige Blunt & Caroe
Bhaishankar Kanga and Girdharilal**Auditors**K K Mankeshwar & Co.
Chartered Accountants**Internal Auditors**Rao & Kumar
Chartered Accountants**Registrars & Share Transfer Agents**

(for Both Physical & Electronic)

MAS Services Limited (upto 30.11.2019)T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi - 110020

Phone No.+91-11-26387281-83

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E-Mail : info@masserv.com**Skyline Financial Services Private Limited** (w.e.f. 01.12.2019)D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi - 110020

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E-Mail : grievances@skylinerta.comWebsite: www.skylinerta.com**Contents:**

Notice to Members	3	Independent Auditors' Report	52
Directors' Report.....	15	Balance Sheet, Statement of Profit & Loss & Notes	57
Management Discussions and Analysis	37	Consolidated Auditors' Report, Balance Sheet, Statement of Profit & Loss & Notes ...	92
Corporate Governance Report	39	Principal Addresses of the Company	123

NOTICE

Notice is hereby given that the **SIXTEENTH ANNUAL GENERAL MEETING** of the Members of the Company will be held at the Registered Office of the Company at "Administrative Building, Shreeramnagar-535101, Garividi, Distt. Vizianagaram, Andhra Pradesh" on Saturday, the 28th September, 2019 at 16:00 to transact, with or without modifications as may be permissible, the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon and the audited consolidated financial statement of the Company for the Financial Year ended 31st March, 2019.
2. To appoint a Director in the place of Mr. Rohit Saraf (DIN: 00003994), who retires from office by rotation and, being eligible, offers himself for re-appointment.

As Special Business:

3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of Rs.50,000/- plus applicable taxes and out-of-pocket expenses incurred in connection with the audit, payable to Mr. Prakash Uppalapati, Cost Accountant who is appointed as Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year ended 31st March 2020.

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

4. To re-appoint Mrs. Urmila Gupta as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Urmila Gupta (DIN:00637110), who was appointed as an Independent Director of the Company for a term of five years up to 12th February, 2020, by the members at the 12th Annual General Meeting held on 22nd September, 2015 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years with effect from 13th February, 2020 to 12th February, 2025 on the Board of the Company.

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

5. To re-appoint Mr. R. K. Saraf as Managing Director and in this regard, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Special Resolution passed by the Shareholders at the Fifteenth (15th) Annual General Meeting held on 17th September, 2018 and in pursuance of the provisions of amended Sections 196 and 197 of the Companies Act, 2013, as amended by Sections 66 to 70 of the Companies (Amendment) Act, 2017 in light of the MCA Notification No. S.O. 4823 (E) dated 12th September, 2018, effective from the date of notification, read with amended Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any Statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), subject to prior approval of the financial institutions and/or banks ("the lenders"), where the Company has committed any default in making payment of its dues to the lenders and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be imposed and/or prescribed by any of the authorities, if any, while granting such approvals, permissions and sanctions and as are agreed to by the Board of Directors (hereinafter referred to as 'the Board' which terms shall include any committee constituted/to be constituted by the Board and any person authorized by the Board in this behalf) and acceptable to Mr. R. K. Saraf, the consent of the Company be and is hereby accorded to the re-appointment of Mr. R. K. Saraf, (DIN: 00006102) as Managing Director, who shall not be subject to retirement by rotation in terms of Section 152 read with other relevant provisions including Section 160 of the Companies Act, 2013 for a period of Three (3) years with effect from 01st April, 2019 to 31st March, 2022, on such remuneration by way of salary, perquisites, allowances and/ or benefits, within and up to the maximum limit as have been determined, fixed and approved by the Board subject to overall limit, stipulated in Section 197 read with Schedule V of the Companies Act, 2013, as amended up to date and subject further to obtaining Members' approval by virtue of this Special Resolution, and on such other terms, conditions and stipulations (including remuneration) as contained in the "Draft Agreement" to be entered into between the Company of the ONE PART and Mr. R. K. Saraf of the OTHER PART, as placed before this meeting and initialed by the Secretary of the Company for the purpose of identification, is hereby specifically approved and sanctioned."

"RESOLVED FURTHER THAT Board may in its absolute discretion pay to Mr. R. K. Saraf, the Managing Director, lower remuneration within the said maximum limits as stipulated in the Draft Agreement hereinabove referred to."

"RESOLVED FURTHER THAT the Managing Director, shall not be entitled to any sitting fee for attending meeting of the Board and/or Committee(s) thereof."

"RESOLVED FURTHER THAT, within the terms of remuneration as set out in the 'Draft Agreement' referred to hereinabove and as approved herein by the shareholders,

the Board of Directors of the Company be and is hereby authorised to revise, vary or increase the remuneration (salary, perquisites and allowances) payable to Mr. R. K. Saraf from time to time, to the extent the Nomination and Remuneration Committee of the Board of Directors and/or the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provisions under the Act, for the time being in force, provided however, that the remuneration payable to Mr. R. K. Saraf shall be within the limits set out in the Act including Schedule V to the Act or any amendments thereto or any modifications or statutory enactment thereof and/or rules or regulations framed thereunder and accordingly the terms of the aforesaid 'Draft Agreement' between the Company and Mr. R. K. Saraf shall be suitably modified to give effect to such variation or increase as the case may be."

"RESOLVED FURTHER THAT notwithstanding anything contained hereinabove where in any financial year during the term of employment of Mr. R. K. Saraf, the Company has no profits or its profits are inadequate, the Company do pay to Mr. R. K. Saraf, subject to requisite approval, if any, the remuneration up to a sum not exceeding, or the revised remuneration, as may be approved by the Board, as a "Minimum Remuneration" by way of salary, perquisites, allowances and/or benefits, as specified in the 'Draft Agreement', subject to and within the maximum ceiling limits laid down under Section II of Part II of Schedule V to the Act as applicable to the Company at the relevant time depending upon the effective capital of the Company or such other limits as may be prescribed by the Central Government from time to time as to minimum remuneration or any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed thereunder."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modifications, substitutions, relaxations or re-enactments by the Central Government to Schedule V to the said Act, the Board of Directors of the Company be and is hereby authorised and empowered to vary, alter, increase, enhance or widen the scope of remuneration including salary, perquisites, allowances and/or benefits, to the extent but within the maximum permissible limits for payment of managerial remuneration specified in Schedule V to the said Act and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, without any further reference to the Members of the Company in General Meeting."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to execute and sign the agreement and other documents and take such steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

6. To re-appoint Mr. Ashim Saraf as Joint Managing Director and in this regard, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Special Resolution passed by the Shareholders at the Fifteenth

(15th) Annual General Meeting held on 17th September, 2018 and in pursuance of the provisions of amended Sections 196 and 197 of the Companies Act, 2013, as amended by Sections 66 to 70 of the Companies (Amendment) Act, 2017 in light of the MCA Notification No. S.O. 4823 (E) dated 12th September, 2018, effective from the date of notification, read with amended Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any Statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), subject to prior approval of the financial institutions and/or banks ("the lenders"), where the Company has committed any default in making payment of its dues to the lenders and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be imposed and/or prescribed by any of the authorities, if any, while granting such approvals, permissions and sanctions and as are agreed to by the Board of Directors (hereinafter referred to as 'the Board' which terms shall include any committee constituted/to be constituted by the Board and any person authorized by the Board in this behalf) and acceptable to Mr. Ashim Saraf, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Ashim Saraf (DIN: 00009581) as Joint Managing Director, being a Key Managerial Personnel, for a period of Three (3) years with effect from 01st April, 2019 to 31st March, 2022, on such remuneration by way of salary, perquisites, allowances and/ or benefits, within and up to the maximum limit as have been determined, fixed and approved by the Board subject to overall limit, stipulated in Section 197 read with Schedule V of the Companies Act, 2013, as amended up to date and subject further to obtaining Members' approval by virtue of this Special Resolution, and on such other terms, conditions and stipulations (including remuneration) as contained in the "Draft Agreement" to be entered into between the Company of the ONE PART and Mr. Ashim Saraf of the OTHER PART, as placed before this meeting and initialed by the Secretary of the Company for the purpose of identification, is hereby specifically approved and sanctioned."

"RESOLVED FURTHER THAT Board may in its absolute discretion pay to Mr. Ashim Saraf, the Joint Managing Director, being a Key Managerial Personnel, lower remuneration within the said maximum limits as stipulated in the Draft Agreement hereinabove referred to."

"RESOLVED FURTHER THAT the Joint Managing Director, being a Key Managerial Personnel, shall not be entitled to any sitting fee for attending meeting of the Board and/or Committee(s) thereof."

"RESOLVED FURTHER THAT, within the terms of remuneration as set out in the 'Draft Agreement' referred to hereinabove and as approved herein by the shareholders, the Board of Directors of the Company be and is hereby authorised to revise, vary or increase the remuneration (salary, perquisites and allowances) payable to Mr. Ashim Saraf from time to time, to the extent the Nomination and Remuneration Committee of the Board of Directors and/or the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provisions under the Act, for the time being in force, provided however, that the remuneration payable to Mr. Ashim Saraf shall be within

the limits set out in the Act including Schedule V to the Act or any amendments thereto or any modifications or statutory enactment thereof and/or rules or regulations framed thereunder and accordingly the terms of the aforesaid 'Draft Agreement' between the Company and Mr. Ashim Saraf shall be suitably modified to give effect to such variation or increase as the case may be."

"RESOLVED FURTHER THAT notwithstanding anything contained hereinabove where in any financial year during the term of employment of Mr. Ashim Saraf, the Company has no profits or its profits are inadequate, the Company do pay to Mr. Ashim Saraf, subject to requisite approval, if any, the remuneration up to a sum not exceeding, or the revised remuneration, as may be approved by the Board, as a "Minimum Remuneration" by way of salary, perquisites, allowances and/or benefits, as specified in the 'Draft Agreement', subject to and within the maximum ceiling limits laid down under Section II of Part II of Schedule V to the Act as applicable to the Company at the relevant time depending upon the effective capital of the Company or such other limits as may be prescribed by the Central Government from time to time as to minimum remuneration or any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed thereunder."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modifications, substitutions, relaxations or re-enactments by the Central Government to Schedule V to the said Act, the Board of Directors of the Company be and is hereby authorised and empowered to vary, alter, increase, enhance or widen the scope of remuneration including salary, perquisites, allowances and/or benefits, to the extent but within the maximum permissible limits for payment of managerial remuneration specified in Schedule V to the said Act and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, without any further reference to the Members of the Company in General Meeting."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to execute and sign the agreement and other documents and take such steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

7. To re-appoint Mr. Anurag Saraf as Joint Managing Director and in this regard, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Special Resolution passed by the Shareholders at the Fourteenth (14th) Annual General Meeting held on 20th September, 2017 and in pursuance of the provisions of amended Sections 196 and 197 of the Companies Act, 2013, as amended by Sections 66 to 70 of the Companies (Amendment) Act, 2017 in light of the MCA Notification No. S.O. 4823 (E) dated 12th September, 2018, effective from the date of notification, read with amended Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any Statutory modification(s) or

amendment(s) or re-enactment thereof for the time being in force), subject to prior approval of the financial institutions and/or banks ("the lenders"), where the Company has committed any default in making payment of its dues to the lenders and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be imposed and/or prescribed by any of the authorities, if any, while granting such approvals, permissions and sanctions and as are agreed to by the Board of Directors (hereinafter referred to as 'the Board' which terms shall include any committee constituted/to be constituted by the Board and any person authorized by the Board in this behalf) and acceptable to Mr. Anurag Saraf, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Anurag Saraf (DIN: 00009631) as Joint Managing Director, for a period of Three (3) years with effect from 01st April, 2019 to 31st March, 2022, on such remuneration by way of salary, perquisites, allowances and/or benefits, within and up to the maximum limit as have been determined, fixed and approved by the Board subject to overall limit, stipulated in Section 197 read with Schedule V of the Companies Act, 2013, as amended up to date and subject further to obtaining Members' approval by virtue of this Special Resolution, and on such other terms, conditions and stipulations (including remuneration) as contained in the "Draft Agreement" to be entered into between the Company of the ONE PART and Mr. Anurag Saraf of the OTHER PART, as placed before this meeting and initiated by the Secretary of the Company for the purpose of identification, is hereby specifically approved and sanctioned."

"RESOLVED FURTHER THAT Board may in its absolute discretion pay to Mr. Anurag Saraf, the Joint Managing Director, lower remuneration within the said maximum limits as stipulated in the Draft Agreement hereinabove referred to."

"RESOLVED FURTHER THAT the Joint Managing Director, shall not be entitled to any sitting fee for attending meeting of the Board and/or Committee(s) thereof."

"RESOLVED FURTHER THAT, within the terms of remuneration as set out in the 'Draft Agreement' referred to hereinabove and as approved herein by the shareholders, the Board of Directors of the Company be and is hereby authorised to revise, vary or increase the remuneration (salary, perquisites and allowances) payable to Mr. Anurag Saraf from time to time, to the extent the Nomination and Remuneration Committee of the Board of Directors and/or the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provisions under the Act, for the time being in force, provided however, that the remuneration payable to Mr. Anurag Saraf shall be within the limits set out in the Act including Schedule V to the Act or any amendments thereto or any modifications or statutory enactment thereof and/or rules or regulations framed thereunder and accordingly the terms of the aforesaid 'Draft Agreement' between the Company and Mr. Anurag Saraf shall be suitably modified to give effect to such variation or increase as the case may be."

"RESOLVED FURTHER THAT notwithstanding anything contained hereinabove where in any financial year during the term of employment of Mr. Anurag Saraf, the Company

has no profits or its profits are inadequate, the Company do pay to Mr. Anurag Saraf, subject to requisite approval, if any, the remuneration up to a sum not exceeding, or the revised remuneration, as may be approved by the Board, as a "Minimum Remuneration" by way of salary, perquisites, allowances and/or benefits, as specified in the 'Draft Agreement', subject to and within the maximum ceiling limits laid down under Section II of Part II of Schedule V to the Act as applicable to the Company at the relevant time depending upon the effective capital of the Company or such other limits as may be prescribed by the Central Government from time to time as to minimum remuneration or any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed thereunder."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modifications, substitutions, relaxations or re-enactments by the Central Government to Schedule V to the said Act, the Board of Directors of the Company be and is hereby authorised and empowered to vary, alter, increase, enhance or widen the scope of remuneration including salary, perquisites, allowances and/or benefits, to the extent but within the maximum permissible limits for payment of managerial remuneration specified in Schedule V to the said Act and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, without any further reference to the Members of the Company in General Meeting."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to execute and sign the agreement and other documents and take such steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

8. To write off the investment held by the Company in Facor Minerals Pte. Limited, Singapore, a step down wholly owned Subsidiary and in this regard, to pass, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules made thereunder (collectively the "Act"), Regulation 24 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999 and Rules and Regulations made there under (including any statutory modifications, amendments or re-enactments of any of them for the time being in force), the Memorandum and Articles of Association of the Company and subject to other requisite approvals of all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary, and such other permissions and sanctions as may be required, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall include a duly authorized Committee of Directors) to write off in one or more tranches, the entire investments of Rs.281.52 Lacs (USD 543000) in 543000 shares of Facor Minerals Pte. Limited,

Singapore, a Step-down Wholly owned Subsidiary of the Company.

RESOLVED FURTHER THAT for the purpose of implementation of this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, including but not limited to decide the time, manner, extent and tranches of write off of investment in the shares of Facor Minerals Pte. Limited, Singapore as aforesaid, executing necessary agreement(s), deeds, documents, declarations, undertakings, forms, letters and other papers as may be necessary, desirable and expedient and to take all incidental and necessary steps for and on behalf of the Company, and to settle all questions or queries that may arise in the course of implementing this resolution including to seek registration of any such documents, deeds, filing intimations, applying for and on behalf of the Company and seeking necessary consents and approvals; AND to delegate any or all of its powers vested on them by this resolution to any of its Committee, or individual Director, or other officers or executives or any such other persons.

RESOLVED FURTHER THAT all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and / or any of its Directors and/or officers and/or representatives for and in the name of the Company in this regard be and the same are hereby noted, ratified and approved."

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 94 (1) and other applicable provisions of Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and any other applicable rules formed there under (including any statutory modification or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register of members of the Company and other security holders, if any, maintained under section 88 of the Companies Act, 2013 together with the index of members and other security holders, at the office of the Registrar And Share Transfer Agent of the Company i.e. M/s Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi-110020 and at such places within New Delhi in the State of Delhi where the Registrar and Share Transfer Agent may shift its office from time to time.

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

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 3 to 9 of the notice set out above is annexed hereto. The relevant details of Directors seeking re-appointment under Item Nos. 2 & 4-7 of the Notice pursuant to Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard 2 on General Meetings are annexed.

2. A route map to reach the venue of the Annual General Meeting, including prominent land mark for easy location, has been provided at the end of the AGM notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday the 22nd September, 2019 to Saturday, the 28th September, 2019, both days inclusive.
5. Shareholders can claim back the amount of unpaid dividend pertaining to the financial year 2008-09 to 2010-11 along with shares transferred to "Investor Education and Protection Fund" pursuant to the provisions of Section 124 of the Companies Act, 2013 on expiry of seven years from the date of transfer to unpaid dividends A/c after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
Also, pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has uploaded details of unpaid and unclaimed dividend amounts and shares transferred to the IEPF Authority on the website of the Company.
6. SEBI has vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08th June, 2018 read with subsequent Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 prescribed that request for effecting transfer of equity shares held in physical form will not be processed from the effective date i.e. 01-04-2019. Hence, converting of physical shareholding into electronic mode i.e. in demat for transferring shares shall be mandatory. Therefore, shareholders are requested to take action to dematerialize their shareholding in the company immediately.

7. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management And Administration) Amendment Rules, 2016 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions

mentioned in the notice of the 16th Annual General Meeting of the Company. E-voting is optional. The facility for voting, through ballot/polling paper shall also be made available at the venue of the 16th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2019 at 10.00 a.m. (IST) and ends on 27th September, 2019 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	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> <p>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.</p> <p>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.</p>
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> <p>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).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- (xx) 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.
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- III. Mr. P.S. Rathi, Chartered Accountant, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman.
- V. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.facorallloys.com and on the website of CDSL and communicated to the Stock Exchange, where the shares are listed.
7. Members can also download the notice of Annual General Meeting from the website of the company i.e. www.facorallloys.com.
8. Copies of Annual Report 2018-19 and the Notice of 16th Annual General Meeting are being sent by electronic mode to all members whose email addresses are registered with the company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 and Notice of 16th Annual General Meeting are being sent by the permitted mode.
9. Members are requested to notify immediately any change in their address/bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz., M/s. Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi-110020 in respect of their physical share holding, if any. While intimating change of address to Depositories and Registrar and Share Transfer Agents please indicate your client ID No. / Folio No., as may be applicable. The address should be complete with Pin Code No. Mobile Number and E-Mail ID can also be updated in the user profile details of the folio which may be used for sending future communication.

10. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit Form duly filled in and signed to the above Registrar & Transfer Agent. The Form can be had from the Share Department at the Corporate Office of the Company at Noida-201301 Dist. Gautam Buddh Nagar, Uttar Pradesh.
11. Shareholders intending to require information about accounts to be explained at the meeting are requested to furnish the queries to the Company at least 10 (ten) days in advance of the Annual General Meeting.
12. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
13. As required by the SEBI (LODR) Regulations, 2015, the relevant details in respect of the Directors proposed to be re-appointed are set out in the Report on Corporate Governance forming part of the Annual Report.
14. The Company's securities are admitted in the National Securities Depository Ltd. and Central Depository Services (India) Ltd. and the ISIN No. allotted to the Company by them in respect of Equity Shares is INE 828GO1013.
15. Non-resident Indian Members holding shares in physical form are requested to inform the Registrar and Share Transfer Agent of the Company about:
 - a) The change in their residential status on return to India for permanent settlement.
 - b) The details of the bank account in India with complete name, branch, account type, account no. and address of the bank.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank Account details by every shareholder holding shares in physical form. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN & bank A/c details to the Company or its Registrar and Share Transfer Agent.
17. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
18. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

Registered Office:

Administrative Building,
Shreeramnagar-535 101,
Garividi, Dist. Vizianagaram,
Andhra Pradesh
CIN L27101AP2004PLC043252
Tel. No. 08952-282029
Fax No. 08952-282188
E-Mail facoralloys@facorgroup.in
Website www.facoralloys.com

By order of the Board,

S.S. Sharma
General Manager (Legal)
& Company Secretary

Dated: 14th August, 2019

ANNEXURE TO THE NOTICE**Explanatory Statement as required by Section 102 of the Companies Act, 2013:****ITEM NO.3**

The Company is directed, under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of Mr. Prakash Uppalapati, Cost Accountant as the Cost Auditor of the Company to conduct audit of cost records of the Company for the year ending 31st March, 2020, at a remuneration of Rs.50,000/- plus taxes and out-of-pocket expenses.

Mr. Prakash Uppalapati has furnished a certificate regarding his eligibility for appointment as Cost Auditor of the Company. Mr. Prakash Uppalapati has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past seven/eight years.

The Board recommends the remuneration of Rs.50,000/- plus taxes and out-of-pocket expenses to Mr. Prakash Uppalapati as the Cost Auditor and the approval of the shareholders is sought for the same by an Ordinary Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

ITEM NO.4

Mrs. Urmila Gupta (DIN: 00637110) was appointed as an Additional Director on the Board of the Company on 13th February, 2015. Members of the Company, pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchange, at the 12th Annual General Meeting held on 22nd September, 2015 approved the appointment of Mrs. Urmila Gupta (DIN: 00637110) as an Independent Woman Director for a period of 5 years up to 12th February, 2020.

The Nomination & Remuneration Committee evaluated the performance of Mrs. Urmila Gupta, rated her satisfactory on all parameters and recommended her re-appointment as Independent Woman Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Woman Director and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Mrs. Urmila Gupta would be beneficial to the Company and it is desirable to continue to avail her services as Independent Woman Director. Accordingly, the Board of Directors at its meeting held on 17th May, 2019 approved the re-appointment of Mrs. Urmila Gupta for a second term of 5 (five) consecutive years on the Board of the Company as Independent Woman Director of the Company, not liable to retire by rotation.

Mrs. Urmila Gupta does not hold any shares in the Company. She is holding directorship in B.A.G. Films & Media Ltd. a listed public company since November, 2013. She is the Chairman of Prevention of Sexual Harassment of Women at Work place

Committee and Member of Nomination & Remuneration Committee of the Company. She has attended all the four (4) meetings of the Board held during the year 2018-19. Mrs. Urmila Gupta actively participated in the meetings and had been making very valuable contribution during discussions at the Board Meetings.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149 (6) of the Act.

Section 149 (10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149 (11) provides that an independent director may hold office for up to two consecutive terms.

Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 effective from 01st April, 2019, requires that any Non-Executive Director who has attained the age of 75 years or more cannot be appointed or continued as a Non-Executive Director in any listed company until and unless approval of Members has been obtained for the same by way of special resolution. Since Mrs. Urmila Gupta, Non-Executive Director of the Company is covered under the aforesaid provision being aged more than 75 years, the Company has already obtained approval of Members by way of Special Resolution for continuing her Directorship in the Company, post 01st April, 2019 in the 15th Annual General Meeting held on 17th September, 2018. The justification pursuant to cited amended Regulation in respect of her re-appointment is as under :-

Mrs. Urmila Gupta, aged 75 years is a retired IAS officer. She joined Indian Information Services in 1968 and took voluntary retirement while serving as Dy. Director General, Prasar Bharati, Ministry of Information and Broad casting, a Jt. Secretary level post. She has over four decades rich experience to her credit as a senior government officer in the area of management, administration, policy formulation etc.

Mrs. Urmila Gupta is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mrs. Urmila Gupta.

The Company has also received declarations from Mrs. Urmila Gupta that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mrs. Urmila Gupta fulfils the conditions for appointment as Independent Woman Director as specified in the Act and the Listing Regulations. Mrs. Urmila Gupta is independent of the management.

Details of Director whose re-appointment as Independent Director is proposed at Item No. 4 are provided in the Corporate Governance Report pursuant to the provisions of (i) the Listing

Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mrs. Urmila Gupta setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mrs. Urmila Gupta is interested in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment.

The relatives of Mrs. Urmila Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

ITEM NO.5

The Company at its 15th Annual General Meeting held on Monday, the 17th day of September, 2018, had approved the re- appointment and remuneration payable to Mr. R. K. Saraf, by passing a Special Resolution, as the Managing Director, not liable to retire by rotation, for a period of 5 years commencing from 01st April, 2019 and ending on 31st March, 2024.

Meantime Ministry of Corporate Affairs by a notification No S.O.4823 (E) dated 12th September, 2018 notified the Companies (Amendment) Act, 2017 which came into force from the date of notification i.e. 12th September, 2018. By the cited amendment Act Sections 196, 197, 198, 200 and 201 of the Companies Act, 2013 along with corresponding provisions of Schedule V to the Act were amended and made effective. In terms of the amended provisions of Schedule V to the Act, if a company has committed any default in payment of dues to any bank, the prior approval of the bank's concern is required to be obtained by the company before taking the approval of the shareholders in the General Meeting for re-appointment of Managerial Personnel.

Mr. R.K. Saraf is the promoter Director of Ferro Alloys Corporation Ltd (FACOR). He has been associated with the said Company since its inception and as Executive Director from April, 1975 and as Joint Managing Director from December, 1986. He was looking after the Ferro Alloys Division of FACOR. Upon trifurcation of FACOR, this Company was formed to take over the said Division of FACOR. He was then appointed as Managing Director of this Company. Under his stewardship the Company is doing well. It is therefore considered desirable that the Company should continue to avail the benefit of his vast and varied experience in the Ferro Alloys industry and able guidance.

Accordingly the Board considers that his services will be useful and in the interest of the Company and he be re-appointed as 'Managing Director' of the Company subject to the approval of Members of the Company. The Board of Directors of the Company ('the Board') have therefore at its meeting held on 13th February, 2019, as against their earlier approval on 18th