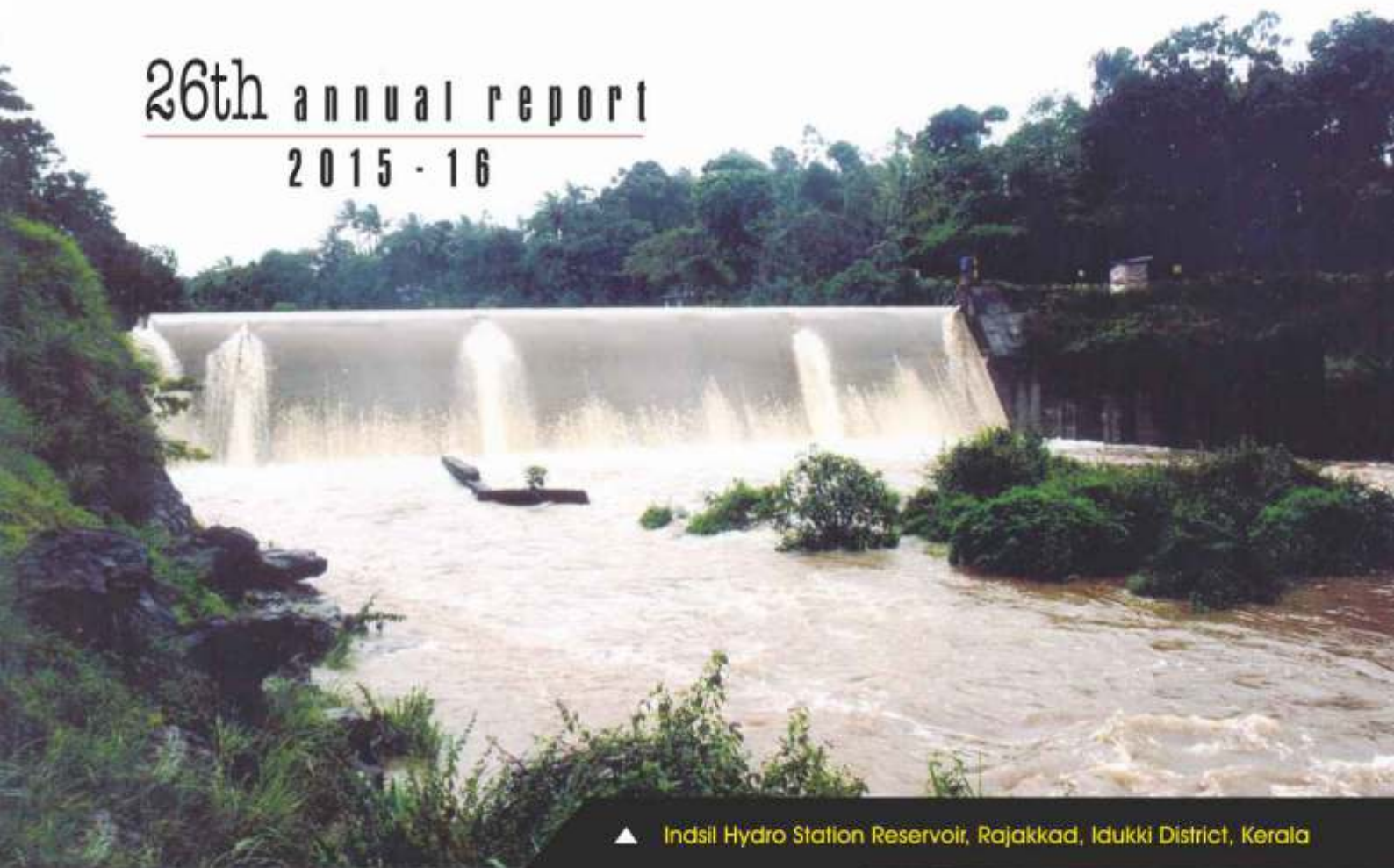


26th annual report

2015 - 16



▲ Indsil Hydro Station Reservoir, Rajakkad, Idukki District, Kerala

Indsil Hydro Station Power House, Rajakkad, Idukki District, Kerala ▼



INDSIL

Indsil Hydro Power and
Manganese Limited



INDSIL HYDRO POWER AND MANGANESE LIMITED

26TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2016

BOARD OF DIRECTORS

SRI B. BALCHAND
NON - EXECUTIVE CHAIRMAN

SRI S.N. VARADARAJAN
EXECUTIVE VICE - CHAIRMAN

SRI VINOD NARSIMAN
MANAGING DIRECTOR

SRI S. INDERCHAND

SMT. D. PUSHPA VARADARAJAN

SRI K.S. MAHADEVAN

DR. A.K. SREEDHARAN

DR. T.C.P. NAMBIAR

SRI. K. RAMAKRISHNAN

COMPANY SECRETARY

SRI S. MAHADEVAN

CHIEF FINANCIAL OFFICER

SRI R. MURALI

STATUTORY AUDITORS

M/S. RAJA & RAMAN
CHARTERED ACCOUNTANTS
1055/11, GOWTHAM CENTRE
1ST FLOOR, AVANASHI ROAD,
COIMBATORE 641 018 PHONE : 0422 2246591
email : rajaandraman@gmail.com

INTERNAL AUDITOR

SMT. K.R. DIVYA
CHARTERED ACCOUNTANT
No. 37, P.M.SAMY COLONY, 1st STREET, R.S.PURAM
COIMBATORE 641 002 Mob : 95974 00200
email : divyaramankr@yahoo.co.in

SECRETARIAL AUDITORS

KSR & Co COMPANY SECRETARIES LLP
INDUS CHAMBERS, GROUND FLOOR
NO. 101 GOVT. ARTS COLLEGE ROAD
COIMBATORE 641 018 Ph : 0422 2305676, 2302868
email : rirs@eth.net

REGISTRARS & SHARE TRANSFER AGENTS (PHYSICAL & DEMAT)

S.K.D.C CONSULTANTS LTD
"KANAPATHY TOWERS"
3rd FLOOR, 1391/A-1
SATHY ROAD
GANAPATHY
COIMBATORE 641 006
PHONE : 0422-6549995, 2539835/6
e-mail : info@skdc-consultants.com

BANKERS

STATE BANK OF TRAVANCORE
EXPORT IMPORT BANK OF INDIA
IDBI BANK LIMITED
YES BANK LIMITED
STANDARD CHARTERED BANK
THE FEDERAL BANK LIMITED

REGD. & CORPORATE OFFICE

"INDSIL HOUSE", T.V.SAMY ROAD (WEST)
R.S.PURAM, COIMBATORE 641 002

WORKS

SMELTER UNIT

VI-679 PALLATHERI, ELAPULLY
PALAKKAD 678 007, KERALA

RAJAKKAD HYDRO ELECTRIC POWER PLANT

VIII/351 RAJAKKAD, IDUKKI DISTRICT - 685 566
KERALA

SUBSIDIARY COMPANY

SREE MAHALAKSHMI SMELTERS PVT LTD
MERAKAMUDIDAM MANDALAM
GARBHAM 535 102, VIZIANAGARAM DIST (A.P)

JOINT VENTURE

AL-TAMMAN INDSIL FERRO CHROME LLC
CR.NO.1090488, P.O.BOX 592, AL HAMRIYA
POSTAL CODE 131, SULTANATE OF OMAN

WHOLLY OWNED SUBSIDIARY

INDSIL HYDRO GLOBAL (FZE)
SAIF LOUNGE, P.O. BOX 9049
SHARJAH AIRPORT INTERNATIONAL
FREE ZONE (SAIF) UAE

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NOTICE OF THE 26th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Company will be held at "The Indian Chamber of Commerce & Industry, Coimbatore", Chamber Towers, 8/732 Avanashi Road, Coimbatore 641 018 on Wednesday, the 14th day of September, 2016 at 10.00 A.M. to transact the following business:

Shareholders are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Annual Financial Statements including the Statement of Profit & Loss, Cash Flow Statement for the Financial Year ended 31st March, 2016, the Balance Sheet as at that date, the Reports of the Directors and the Report of the Auditors thereon.
2. To declare dividend on the equity shares.
3. To appoint a Director in place of Sri B. Balchand (DIN 00035878), who retires from Office by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sri K.S.Mahadevan (DIN 00043314), who retires from Office by rotation, and being eligible, offers himself for reappointment.
5. To appoint M/s Raja & Raman, Chartered Accountants, Coimbatore (Firm Registration No. 003382S) who have offered their services and who are not disqualified under Section 139 of the Companies Act, 2013 as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration plus service tax, out of pocket expenses, etc.,

SPECIAL BUSINESS

6. RATIFICATION OF REMUNERATION OF COST AUDITOR :

To consider and if thought fit, to pass the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to Section 148 (3) and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 (including any statutory amendments and modification(s) thereof, for the time being in force), the remuneration payable to Sri B. Venkateswar, Cost Auditor having Membership No: 27622 appointed by the Board of Directors of the Company to conduct the Cost Audit of the Company for the financial year 2016-17 amounting to ₹18,000/- (Rupees Eighteen Thousand Only) per annum excluding service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit be and is hereby ratified and confirmed".

"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 or expedient to give effect to this resolution."

7. RELATED PARTY TRANSACTIONS

To consider and if thought fit to pass the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the provisions of Companies (Meetings of the Board and its Powers) Rules, 2014 and read with relevant circulars, notifications issued from time to time, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange and other provisions of Law as applicable for the time being, consent of the Members of the Company be and is hereby accorded to the Company for having entered into and for entering into transactions involving sale, purchase or supply of goods or materials and/or availing or rendering of any services and/or leasing of property of any kind with the following Companies during the financial year ending 31st March, 2017 and financial year 2017-18 as under:



For the financial year 2016-17 & 2017-18

Sl. No	Name of the Related Party	Nature of Transaction	Value of Transaction (2016-17)	Value of Transaction (2017-18)
1	Indsil Energy and Electrochemicals Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores.	Upto a maximum of ₹ 150 Crores.
2	Sree Mahalakshmi Smelters Private Limited	Sale / Purchase of raw materials and finished goods.	Upto a maximum of ₹ 150 Crores	Upto a maximum of ₹ 150 Crores
3	Sree Mahalakshmi Smelters Private Limited	Leasing of land, building, plant & machinery and other fixed assets and hiring of staff and personnel.	Upto a maximum of ₹ 10 Crores	Upto a maximum of ₹ 10 Crores

"RESOLVED FURTHER THAT the limits mentioned above in respect of which approval is provided by the Company shall be construed to be over and above the threshold limits prescribed under Section 188 of the Companies Act, 2013 read with the provisions of Companies (Meetings of the Board and its Powers) Rules, 2014 and read with relevant circulars, notifications issued from time to time, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange and other provisions of Law as applicable for the financial year 2016-17 & 2017-18 seeking shareholders approval and accordingly, the Board of Directors, subject to the recommendation of the Audit Committee of the Board, be and is hereby empowered to approve transactions with the said related parties".

Place : Coimbatore
Date : 5th August, 2016

By Order of the Board
Sd/-
S.MAHADEVAN
Company Secretary.
FCS No. : 8653

NOTES FOR SHAREHOLDERS' ATTENTION:

1. A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a shareholder of the Company. A person can act as proxy on behalf of the shareholders not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The proxy form should be lodged at the Registered Office of the Company at least 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.

Corporate shareholders are requested to send a duly certified Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the Annual General Meeting.

2. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration to those shareholders whose names appear:
 - a) As Beneficial owners as at the end of business hours on Wednesday, the 7th September, 2016 as per the list to be furnished by NSDL & CDSL in respect of the shares held in electronic form and
 - b) As shareholders appearing in the Register of Members of the Company after giving effect to all valid share transfers in physical form on or before Wednesday, the 7th September, 2016.

The Register of Members and Share Transfer books of the Company will be closed from Thursday, the 8th September, 2016 to Wednesday, the 14th September, 2016 (both days inclusive).

- 3 Details in respect of Directors retiring by rotation are annexed.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 16th December, 2015 (date of last Annual General Meeting) in the website of the Company (www.indsil.com).

Information in respect of unclaimed dividends, when due, for transfer to the Investor Education and Protection Fund (IEPF) are given below:

Sl. No.	For the financial year ended	Percentage of dividend (in %)	Date of declaration	Due date for transfer to the Investor Education and Protection Fund
1	30th June, 2009	10%	21.12.2009	28.01.2017
2.	30th June, 2010	15%	06.10.2010	05.11.2018
3.	30th June, 2011	10%	14.12.2011	18.01.2019
4.	30th June, 2012	10%	17.12.2012	18.01.2020
5.	30th June, 2013	5%	13.12.2013	18.01.2021
6.	30th June, 2014	12%	19.12.2014	05.02.2022
7.	30th June, 2015	12%	16.12.2015	02.02.2023

The Shareholders who have not encashed the aforesaid dividends are requested to make their claims to the Company Secretary, Secretarial Department, Indsil Hydro Power and Manganese Limited, Indsil House, T.V.Samy Road (West), R.S.Puram, Coimbatore, Tamil Nadu - 641 002 email: mahadevan@indsil.com & indsilho@indsil.com as early as possible.

The Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service ("ECS") facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the account of the shareholders, elimination of loss of instrument in transit and fraudulent encashment etc.

In view of this provision,

- i. Shareholders holding shares in physical form and desirous of availing the facility are requested to complete ECS form attached to this Annual Report and forward the same to the Company's Registrars and Share Transfer Agents S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com.
 - ii. Shareholders holding shares in dematerialized form are requested to provide the Bank details to the Depository Participants for incorporation in their records.
6. Shareholders holding shares in physical form are requested to notify change in their addresses, if any, to the Registrars & Share Transfer Agents of the Company and Shareholders holding shares in dematerialised form are requested to notify change in their addresses to their respective Depository Participants.
 7. Shareholders are requested to bring their copy of the Annual Report to the Annual General Meeting. No fresh copies will be issued at the Meeting.
 8. Shareholders holding shares in physical form who have not yet given their bank's name, address and account number are requested to furnish the same to the Registrars & Share Transfer Agents of the Company, M/s S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com
 9. The equity shares of the Company are listed on The Bombay Stock Exchange Ltd. The Annual Listing fee has been paid upto date to the above said Exchange.
 10. Shareholders who have multiple accounts in identical names or joint accounts in same order are requested to send all their share certificates to the Registrars & Share Transfer Agents of the Company for consolidation of all such shareholdings into one account to facilitate better service.
 11. For the convenience of the Shareholders, an attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided and hand over the attendance slip at the place of the meeting.
 12. Relevant documents covering the resolutions proposed in the Notice of the AGM are open for inspection at the Registered Office of the Company during Office hours (9.30 A.M to 5.30 P.M) on all working days except holidays before the date of the AGM.
 13. Shareholders seeking any information with regard to the accounts are requested to write to the Company seven days prior to the date of the AGM so as to enable the Management to keep the information ready.
 14. Equity shares of the Company have been placed under Compulsory De-mat Trading. Shareholders who have not de-materialized their physical holding in the Company are advised to avail the facility of dematerialisation of equity shares of the Company.
 15. The ISIN of the equity shares of your Company is INE867D01018.
 16. 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. Electronic mode of dispatch of Annual Reports and notice has also been enabled under the Companies Act, 2013. Shareholders are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s S.K.D.C Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006, Phone: 0422-6549995, 2539835, email : info@skdc-consultants.com
 17. The soft copy of the Annual Report has been sent to the e-mail addresses registered with the respective Depository Participants of the shareholders or with the Company and where such e-mail addresses are not available, physical form of Annual Reports are sent to the registered addresses of the concerned shareholders by Registered Parcel.
 18. Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders are requested to file Nomination Forms in respect of their shareholdings. Any shareholder desiring to avail this facility may submit to the Company's Registrars & Share Transfer Agents, the prescribed Statutory Form SH-13. Should any assistance be desired, shareholders should get in touch with the Company's Registrars & Share Transfer Agents.
 19. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules made thereunder, the Shareholders are provided with the facility to cast their votes electronically, through the e-voting services provided by CDSL on all resolutions set forth in this Notice.

Voting through electronic means :

- (a) In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called the "Rules") for the purpose of this Section of this Notice and Regulations 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 facility is provided to the shareholders for exercising e-Voting through Central Depository Services (India) Ltd., (hereinafter referred to "CDSL") to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 26th Annual General Meeting to the shareholders holding shares as on Wednesday, the 7th September, 2016 (end of the day) being cut off date fixed for determining voting rights of shareholders, entitled to participate in e-voting platform prescribed by CDSL. Accordingly, a shareholder may exercise his/her vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The facility for voting through ballot paper will be available at the meeting and the shareholders attending the meeting, who have not already cast their votes by e-voting shall be able to exercise their right at the meeting through ballot paper. Shareholders who have cast their votes by e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their votes again.

- (b) The e-voting period starts at 9.00 A M on Sunday, the 11th, September, 2016 and ends at 5.00 P M on Tuesday , the 13th September, 2016. During this period, the shareholders holding shares either in physical form or in dematerialized form as on the cut off date viz Wednesday, the 7th September, 2016, may cast their votes electronically. The e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the shareholder, he / she will not be allowed to change it subsequently.

Voting at the Annual General Meeting

Voting by poll will be made available at the venue of the Annual General Meeting to enable the shareholders to vote. Shareholders who have already exercised their votes through remote e-voting will not be eligible to vote again in the Annual General Meeting.

Instructions for the shareholders voting electronically are as under:

In case of shareholders receiving mail.

- (i) The voting period begins on September 11, 2016 at 9.00 A.M and ends on September 13, 2016 at 5.00 P.M. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 7, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" tab
- (v) 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. Shareholders holding shares in physical form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged onto www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user, follow the steps given below :

For shareholders holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Shareholders 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 printed on the Attendance Slip cum Proxy Form in the PAN field.
Date of Birth	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. # Please enter the Date of Birth or Dividend Bank Details in order to log in. If the details are not recorded with the depository or Company, please enter the number of shares held by you as on the cut-off date ie. Wednesday, the 7th September 2016 in the Dividend Bank details field.



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then reach directly the Company selection screen. However, shareholders 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.
- (xi) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for INDSIL HYDRO POWER AND MANGANESE LIMITED.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **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.**
- (xx) **Note to Institutional shareholders**
 - Institutional shareholders (ie., other than individuals, HUF, NRI etc.,) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details, they have to create an user ID which would enable them to link the resolutions 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of the shareholders receiving physical copy

- A. Please follow steps from Sl. No. (i) to Sl. No. (xvi)
- B. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or you can contact Sri S Mahadevan, Company Secretary, Indsil Hydro Power and Manganese Ltd at 0422-4522922 or mail to email ID mahadevan@indsil.com.
- C.
 - (i) A copy of this notice has been placed on the website of the Company and the website of CDSL.
 - (ii) The scrutinizer, after scrutinizing the votes cast at the meeting (Polling by ballot) and through remote e-voting, will not later than two days of conclusion of the Annual General Meeting, make a consolidated scrutinizer's report and submit the same to the Executive Vice-Chairman or Managing Director of the Company.
 - (iii) The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.indsil.com and on the website of CDSL and shall simultaneously be communicated to the Stock Exchange(s).