

Indsil Hydro Power and Manganese Limited



**29th Annual Report
2018-19**

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**CORPORATE INFORMATION
BOARD OF DIRECTORS**

Sri B. Balchand
Non – Executive Chairman

Sri S.N. Varadarajan
Vice – Chairman

Sri Vinod Narsiman
Managing Director

Sri K. Ramakrishnan
Whole-Time Director (w.e.f 01.06.2018)

Sri S. Inderchand

Smt D. Pushpa Varadarajan

Dr A.K. Sreedharan

Sri K. Annamalai

Sri V. Dharmaraj

Smt R. Saroja (w.e.f 29.05.2018)

Sri K.S. Mahadevan (w.e.f 29.05.2018)

Sri S. Mahadevan
Company Secretary

Sri R. Murali
Chief Financial Officer

STATUTORY AUDITORS

M/s Raja & Raman
Chartered Accountants
1055/11, Gowtham Centre
1st Floor, Avinashi Road
Coimbatore 641 018
Phone : 0422 2246591
Email : rajaandraman@gmail.com

INTERNAL AUDITOR

Smt K.R. Divya
Chartered Accountant
No. 37, PM Samy Colony, 1st Street
R.S.Puram, Coimbatore 641 002
Mobile : 95974 00200
Email : divyaramankr@yahoo.co.in

SECRETARIAL AUDITOR

MDS & Associates
Company Secretaries in Practice
Surya, 35 Mayflower Avenue
Sowripalayam Road,
Coimbatore 641 028
Phone : 0422 2316755
Email : mds@mdsassociates.in

COST AUDITOR

Sri B. Venkateswar
Cost Accountant
31/3-E, Sri Ramakrishna Nagar
Kavundampalayam,
Coimbatore 641 030
Mobile : 94437 73321
Email : bvenkateswar20@ymail.com

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

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

BANKERS

State Bank of India
Export Import Bank of India
IDBI Bank Limited
Yes Bank Limited
RBL Bank Limited
The Federal bank limited
Karnataka bank limited

REGD & CORPORATE OFFICE

"Indsil House", T.V.Samy Road (West), R.S.Puram
Coimbatore – 641 002
Phone : 0422 4522922, 3
Email : indsilho@indsil.com
CIN : L27101TZ1990PLC002849

WORKS SMELTER UNIT

VI-679 Pallatheri, Elapully, Palakkad 678 007, Kerala
Unit II – Merakamudidam Mandalam, Garbham 535 102,
Vizianagaram Dist. (A.P)
Unit III – Sector "C" Plot 114-122 Urla Industrial Area, Raipur 493 221,
Chhattisgarh

RAJAKKAD HYDRO ELECTRIC POWER PLANT

VIII/351 Rajakkad, Idukki District – 685 566, Kerala

Notice of the 29th Annual General Meeting

NOTICE is hereby given that the 29th Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 26th December, 2019 at 10.30 AM at "ARDRA", Kaanchan Building, No. 9, North Huzur Road, Coimbatore – 641 018 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Standalone and Consolidated Annual Financial Statements including Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statements of changes in Equity for the Financial Year ended 31st March, 2019, the Balance Sheet as at that date, the Report of the Board of Directors' and the Auditor's thereon.
2. To confirm the payment of interim dividend of 10% already paid, as the final dividend on the 10% Cumulative Redeemable Preference Shares of ₹ 10/- each for the financial year ended 31st March, 2019.
3. To appoint a Director in the place of Sri.S. Inderchand (DIN: 00035907) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Smt.D.Pushpa Varadarajan (DIN: 00035787) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

5. RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2019-20

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Sri B Venkateswar, (Membership No: 27622), Cost Accountant, Coimbatore who was appointed as Cost Auditor of Company by the Board of Directors of the Company, on the recommendation of the Audit Committee, to conduct audit of the cost records of the Company for the financial year ending 31st March 2020 on a remuneration of ₹ 25,000/- (Rupees Twenty Five Thousand Only) plus applicable taxes and re-imburement of travelling and out of

pocket expenses incurred by him for the purpose of audit be and is hereby ratified and confirmed."

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

6. CONTINUATION OF THE DIRECTORSHIP OF SRI.S.N.VARADARAJAN AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to continue the directorship of Sri.S.N.Varadarajan (DIN: 00035693), who will attain the age of 75 years on 29.10.2020, as Non-Executive Director of the Company."

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

7. CONTINUATION OF THE DIRECTORSHIP OF SRI.B.BALCHAND AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to continue the directorship of Sri.B.Balchand (DIN: 00035878), who will attain the age of 75 years on 23.02.2020, as Non-Executive Director of the Company."

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

8. RE-APPOINTMENT OF DR.A.K.SREEDHARAN AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 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 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") as amended and upon the recommendations of the Nomination and Remuneration Committee and Board of Directors, Dr.A.K.Sreedharan (DIN: 00043167), who has given his consent for re-appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, to hold office for his second term of five consecutive years, with effect from 19th December, 2019, not liable to retire by rotation."

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

"RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations"), other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder including any statutory rules made thereunder including any statutory modification(s) or re-enactment thereof and subject to such other approvals as may be necessary in this regard, the consent of the Members of the Company be and is hereby accorded to continue the directorship of Dr A K Sreedharan (DIN : 00043167), as the Non-Executive Independent Director of the Company, who has attained the age above 75 years, with effective from 19th December, 2019 to 18th December, 2024."

9. PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY

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

"RESOLVED THAT pursuant to Sections 197, 198 and other applicable provision, if any, of the Companies

Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors, the consent of the Company be and is hereby accorded for payment of commission to the Non-Executive Directors of the Company of a sum not exceeding 1% of the net profits of the Company computed in the manner as specified under Section 198 of the Companies Act, 2013 subject to an overall limit of ₹ 6,00,000/- (Rupees Six Lakhs Only) per year to be paid and distributed amongst the Non-Executive Directors of the Company and such payments shall be made with respect to the profits of the Company for each year for a period of 3 (three) financial years commencing from the financial year 2019-20."

10. EXTENSION OF THE PERIOD OF REDEMPTION OF 10% CUMULATIVE REDEEMABLE PREFERENCE SHARES OF THE COMPANY

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

"RESOLVED THAT pursuant to Sections 48, 55 and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the consent granted by the preference shareholders, the consent of the members of the Company be and is hereby accorded for variation of the rights of the 1,50,00,000 10% Cumulative Redeemable Preference Shareholders, to the extent and manner given herein.

- a. The date of redemption of the 10% Cumulative Redeemable Preference Shares of ₹10/- each be extended from 19th October, 2019 by a further period of 3 years i.e., upto 18th October, 2022 with the option to redeem the Preference Shares at par at any time at the option of the Company before the due date of redemption."

"RESOLVED FURTHER to note that save as what is mentioned hereinabove, all other terms and conditions of issue of the said Preference Shares shall remain same."

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

11. SELL OR TRANSFER OR DISPOSE OFF UNIT III OF THE COMPANY SITUATED AT RAIPUR

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

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

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

“FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or

any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments.”

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

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

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into contract and/or agreement and/or transactions with the following related parties of the Company on the terms and conditions as given hereunder.”

S.No	Name of the Related Party	Nature of Transactions	Period of Transactions	Value of Transactions
1	M/s Al Tamman Indsil Mining LLC	Purchase / Sale of raw materials, semi-finished and finished goods.	1st April 2020 to 31st March 2021	Upto a maximum of ₹ 100 Crores
2	Sunmet Holdings India Private Limited	Sale and Purchase of Chrome Ore and other raw materials and finished goods.	1st April 2020 to 31st March 2021	Upto a maximum of ₹ 100 Crores
3	M/s Al Tamman Indsil Ferro Chrome LLC	Sale and Purchase of raw materials and finished goods.	1st April 2020 to 31st March 2021	Upto a maximum of ₹ 100 Crores

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

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

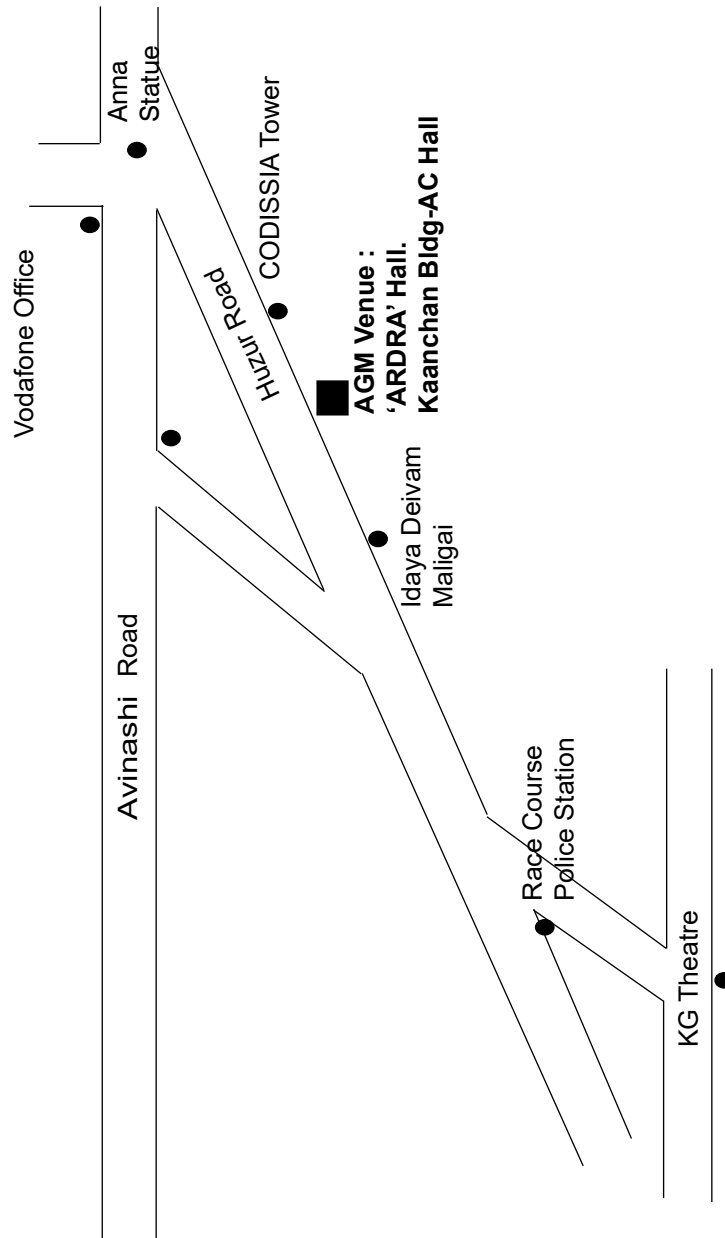
By order of the Board

Place : Coimbatore
Date : 19th November, 2019

S MAHADEVAN
Company Secretary
FCS No. 8653

29th AGM Hall Route Map

ARDRA CONVENTION CENTRE
"KAANCHAN", NO.9, NORTH HUZUR ROAD, COIMBATORE-641018



Venue

"ARDRA", Kaanchan Building, No. 9, North Huzur Road
Coimbatore 641 018

Day & Date of AGM : Thursday, the 26th December, 2019
Time : 10.30 AM

Statement Under Section 102 of the Companies Act, 2013

ITEM NO. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Sri B Venkateswar (Membership No. 27622), Cost Accountant, Coimbatore, as the Cost Auditor of the Company for the financial year 2019-20 on a remuneration of ₹ 25,000/- (exclusive of applicable taxes and reimbursement of travelling and out of pocket expenses incurred) for conducting the audit of the cost accounting records of the Company and for issuing an Audit Report on cost accounting records maintained by the Company.

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

Accordingly, consent of the Members is sought for passing an ordinary resolution as set out in Item No. 5 of the notice for ratification of the remuneration of the Cost Auditor for the financial year 2019-20.

The Board recommends the resolution set out in Item No. 5 of the Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of your Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

Sri.S.N.Varadarajan (DIN: 00035693), the promoter of the Company has been associated with the Company from its inception.

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), a Non-Executive Director of the Company who has attained the age of 75 years cannot continue to act as a Non-Executive Director in the Company unless the approval of the Members is obtained through a special resolution.

Sri.S.N.Varadarajan will attain the age of 75 years on 29.10.2020 and accordingly, pursuant to the said regulation, the approval of the members by a special resolution is required to be obtained to enable Sri.S.N.Varadarajan to continue his directorship in the Company.

Sri.S.N.Varadarajan holds a Bachelor's degree in Commerce from Madras University. He is the founder Promoter of Indsil Group of Companies and is the Vice-Chairman of

the Company. Sri.S.N.Varadarajan is a first generation self-made entrepreneur. He is in the field since 1982 and is a pioneer in development of indigenous smelting technology for the manufacture of ferro alloys. Sri.S.N.Varadarajan has developed indigenous process technology for the manufacture of Low Carbon Silico Manganese used in special steels and it is exported throughout the world to all major steel producers. He is also bestowed with the UDYOG PATRA award in recognition of his achievement.

Therefore, keeping in view his qualifications and experience, the Board of Directors are of the opinion that his continuation as a Non-Executive Director beyond the age of 75 years will be beneficial to the Company.

Accordingly, the Board of Directors of the Company at their meeting held on 11th November, 2019, on the recommendation of the Nomination and Remuneration Committee, approved the continuation of directorship of Sri.S.N.Varadarajan and also proposed to seek the approval of the Members by way of special resolution for the same.

The necessary resolution has been set out in Item No.6 of the Notice for the approval of the Members.

The Board recommends the resolution set out in Item No. 6 of the Notice for the approval of the Members.

The brief profile of Sri.S.N.Varadarajan and other disclosures as required under Secretarial Standards are furnished and forms part of this Notice.

Except Sri.S.N.Varadarajan, Vice-Chairman being appointee, Sri.Vinod Narsiman, Managing Director & Smt.D.Pushpa Varadarajan, Director, being his relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of this Notice.

ITEM NO. 7

Sri.B.Balchand (DIN: 00035878), has been associated with the Company since 1992 and is the Chairman of the Company.

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), a Non-Executive Director of the Company who has attained the age of 75 years cannot continue to act as a Non-Executive Director in the Company unless the approval of the Members is obtained through a special resolution.

Sri.B.Balchand will attain the age of 75 years on 23.02.2020 and accordingly, pursuant to the said regulation, the approval of the Members by a special resolution is required to be obtained to enable Sri.B.Balchand to continue his

directorship in the Company.

Sri.B.Balchand is a reputed businessman of Coimbatore region with considerable contacts among business communities and has wide experience in the management and affairs of the Company and is very knowledgeable in administration of Companies.

Therefore, keeping in view his qualification and experience, the Board of Directors are of the opinion that his continuation as a Non-Executive Director beyond the age of 75 years will be beneficial to the Company.

Accordingly, the Board of Directors of the Company at their meeting held on 11th November 2019, on the recommendation of the Nomination and Remuneration Committee, approved the continuation of directorship of Sri.B.Balchand and also proposed to seek the approval of the Members by way of special resolution for the same.

The necessary resolution has been set out in Item No.7 of the Notice for the approval of the Members.

The Board recommends the resolution set out in Item No. 7 of the Notice for the approval of the Members.

The brief profile of Sri.B.Balchand and other disclosures as required under Secretarial Standards are furnished and forms part of this Notice.

Except Sri.B.Balchand, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 7 of this Notice.

ITEM NO. 8

Dr.A.K.Sreedharan (DIN: 00043167) was appointed as an Independent Non-Executive Director of the Company by the Members at the 24th Annual General Meeting held on 19th December, 2014 to hold office for five (5) consecutive years for a term upto 18th December, 2019.

As per Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term of upto 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 of upto five consecutive years.

Therefore, keeping in view his qualification and experience, the Board of Directors are of the opinion that his continuation as a Non-Executive Director beyond the age of 75 years will be beneficial to the Company.

The brief profile of Dr.A.K.Sreedharan and other disclosures as required under Secretarial Standards are furnished and forms part of this Notice.

The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors, on the basis of

report of performance evaluation of Dr.A.K.Sreedharan has recommended his re-appointment as Independent Director for a second term of five (5) consecutive years, subject to the approval of Members, to hold office with effect from 19th December, 2019. Further, the Board of Directors are of the opinion that the continued association of Dr.A.K.Sreedharan would be immensely beneficial to the Company.

Dr.A.K.Sreedharan is not disqualified from being appointed as Director in terms of Section 164 of the Act and not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. He has given his consent to act as Director along with the declaration stating that he meets the criteria of independence as prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

In the opinion of the Board, Dr.A.K.Sreedharan fulfill the conditions specified under the Act read with the rules made thereunder and the Listing Regulations for his re-appointment as Independent Non-Executive Director of the Company and is independent of the management.

The Company has also received notice in writing from member under Section 160 of the Act proposing the candidature of Dr.A.K.Sreedharan for the office of Independent Director of the Company.

Copy of the draft letter for appointment of Dr.A.K.Sreedharan as Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any business day.

Accordingly, the Board recommends Special Resolution in relation to eligibility and re-appointment of Dr.A.K.Sreedharan as Independent Director for another term of five (5) consecutive years, for approval by the shareholders of the Company.

The disclosures as required under Regulation 36 of Listing Regulations and Secretarial Standards 2 are furnished and forms part of this Notice.

Except Dr.A.K.Sreedharan, the appointee Independent Director, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution for appointment as set out in Item No. 8 of this Notice.

ITEM NO. 9

The Board of Directors of the Company, subject to the approval of the Members at the Annual General Meeting have approved the payment of commission to Non-Executive Directors of the Company, at the rate of

1% of the net profits of the Company subject to an overall limit of ₹ 6,00,000/- (Rupees Six Lakhs Only) per year to be distributed amongst the Non-Executive Directors of the Company for a period of three years commencing from the financial year 2019-20.

Accordingly, necessary resolution pursuant to the provisions of Section 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 have been proposed in Item No. 9 of the Notice for the approval of the Members.

The Board recommends the resolution set out in Item No. 9 of the Notice for the approval of the Members.

Except all the Non-Executive Directors being the recipients of commission and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution for appointment as set out in Item No. 9 of this Notice.

ITEM NO. 10

The Company had issued and allotted 1,50,00,000 (One Crore Fifty Lakhs) 10% Cumulative Redeemable Preference Shares of ₹ 10/- per share on 29.05.2018 pursuant to the Scheme of Amalgamation of Indsil Energy and Electrochemicals Private Limited with the Company. As per the terms of issue, the said preference shares are to be redeemed at par not later than 19.10.2019. However, as per the mutual consent of the Company and Preference Shareholders, the Board of Directors of Company at their meeting held on 28th October, 2019 approved the extension of the period of redemption of the said preference shares by a further period of 3 years i.e., up to 18th October, 2022 with the option to redeem the preference shares at par at any time at the option of the Company before the due date of redemption.

Pursuant to Section 48 & 55 of the Companies Act, 2013, the rights of the Preference Shareholders can be varied with the consent of the Preference shareholders and the Members. The preference shareholders have already granted their consent for the extension of the period of redemption.

Accordingly, necessary resolution pursuant to the provisions of Section 48 & 55 of the Companies Act, 2013 have been proposed in Item No. 10 of the Notice for the approval of the Members.

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

Sri.B.Balchand, Director of the Company and his relatives are interested in the resolution to the extent of the 10% Cumulative Redeemable Preference Shares held by them.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested,

financially or otherwise, in the resolution for appointment as set out in Item No. 10 of this Notice.

ITEM NO. 11

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

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

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

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

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

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

ITEM NO. 12

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

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members by way of