



# METKORE ALLOYS & INDUSTRIES LIMITED

(Formerly Known as Cronimet Alloys India Limited / GMR Ferro Alloys & Industries Limited)

No.MAIL:Reg34:2016-17:

October 3, 2016

The Secretary Listing Department The National Stock Exchange of India Limited Exchange Plaza Plot No.C1/G Block 5 <sup>th</sup> Floor, Bandra Kurla Mumbai – 400 051 Scrip Code: Metkore	The Deputy General Manager Department of Corporate Relations Bombay Stock Exchange Limited 17 <sup>th</sup> Floor, P J Towers Dalal Street Mumbai – 400 001 Scrip Code: 532990
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Dear Sir,

Sub: Annual report - 10<sup>th</sup> Annual General Meeting

The 10<sup>th</sup> Annual General Meeting of Metkore Alloys & Industries Limited was held on Friday, September 30, 2016 at 10.00 AM at Hotel Sreekrishna Grand, Miyapur, X Road, Hyderabad – 500 049.

Pursuant to Regulation 34 of SEBI[LODR] Regulations, 2015, please find the Annual Report of the 10<sup>th</sup> Annual General Meeting for your information and record.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For Metkore Alloys & Industries Limited

  
Authorised Signatory

CIN No.: L27101AP2006PLC049591

**Regd. Off.:** Plot No. 18, Street No. 1, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034.

Tel.: 040 2354 0195 Fax : 040 2355 4498

**Corp. Off.:** # 1914, 2nd Floor, 'C' Cross, 28th Main Road, Jayanagar 9th Block (East), Bangalore - 560 069.  
Tel.: +91 80 409 190 81/82, Fax : +91 80 401 199 90 Website : [www.metkore.com](http://www.metkore.com)

**Works :** Ravivalasa Village - 532 212 Tekkali Mandal, Srikakulam District, Andhra Pradesh  
Tel.: +91 8945 244 701 / 244 312 Fax : +91 8945 244 545

# Metkore Alloys & Industries Limited

10th Annual Report  
2015-2016

## GENERAL INFORMATION

<b>Board of Directors</b>	Sri S Gajendran	Non-Executive Independent Director
	Sri M V Bhaskara Rao IPS (Retd.)	Non-Executive Independent Director
	Sri Chikali Nagaraju	Whole-time Director (Operations)(upto 13.11.2015)
	Smt Sarita Boorugu	Non-Executive Director (upto 07.10.2015)
	Smt Shakunthala Prakash Bhat	Non Executive Independent Director (w.e.f. 13.11.2015)
<b>Statutory Auditors</b>	M/s. Nekkanti Srinivasu & CO., Chartered Accountants 604, Kanchanjunga Apts., 'D' Block Aditya Enclave, Ameerpet Hyderabad - 500 038	
<b>Bankers</b>	State Bank of Travancore	
<b>Registered Office</b>	Plot No.18, Sagar Society, Street No. 1 Road No. 2, Banjara Hills HYDERABAD - 500 034	
<b>Plant</b>	Ravivalasa Village - 532 212 Tekkali Mandal, Srikakulam District, A.P.	
<b>Registrar &amp; Share Transfer Agents</b>	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower 'B' Plot No. 31 & 32, Gachibowli Financial District Nanakram Guda, Hyderabad - 500 032.	

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## NOTICE

**NOTICE** is hereby given that the **Tenth Annual General Meeting of the Members of METKORE ALLOYS & INDUSTRIES LIMITED** will be held on **Friday the September 30, 2016 at 10.00 AM** at Hotel Sreekrishna Grand, Miyapur X Road, HYDERABAD-500 049 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2016, the Reports of Board of Directors and Auditors thereon.
2. To appoint Auditors, fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:  
**\*RESOLVED THAT** M/s Nekkanti Srinivasu & Company, Chartered Accountants [Firm Registration No. 008801S] be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Meeting, until the conclusion of the next Annual General meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company".
3. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:  
**\*RESOLVED THAT** in accordance with the provisions of Section 148 and other applicable provisions, if any of the Companies Act, 2013 and the Companies [Audit and Auditors] Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of the Cost Auditor, Jithendra Kumar & Company, Cost Accountants for the year ending March 31, 2017 be and is hereby determined as recommended by the Audit Committee and approved by the Board of Directors".

### SPECIAL BUSINESS:

4. To regularize the appointment of Smt Shakuntala Prakash Bhat [DIN 07245416] as Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**\*RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the said Act, Mrs Shakuntala Prakash Bhat [DIN 07245416] was appointed as Additional Director of the Company with effect from November 13, 2015 under Section 161 of the Companies Act, 2013, be and is hereby appointed as Non Executive Independent Director of the Company, liable to retire by rotation, to hold office for a term up to five consecutive years commencing from 13.11.2015.
5. To consider adoption of newly substituted Articles of Association of the Company containing regulations in line with the Companies Act, 2013, and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:  
**\*RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company."  
**\*RESOLVED FURTHER THAT** any one of the 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."

By Order of the Board

Place : Bengaluru  
Date : 11.08.2016

**Mahak S Roy**  
Company Secretary

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.** A person can act as Proxy on behalf of the member not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.  
The instrument of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to items 3, 4 & 5 is annexed hereto. Relevant details, pursuant to Regulation 36(3) of Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015, of Directors seeking appointment / re-appointment under item No.4 above is also annexed.
3. The Register of Members and the Share Transfer books of the Company will remain closed from September 23 to 30, 2016 [both days inclusive] for the purpose of Annual General Meeting.

- Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the AGM through electronic mode. Electronic copy of the Annual Report including Notice of the 10th AGM of the Company, inter alia, indicating the Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same. For members who have not registered their email address, physical copies of the annual report are being sent in the permitted mode.
- The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with the DP at the earliest, to enable the Company to use the same for serving documents electronically. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA. The annual Report is available on the company's website [www.metkore.com](http://www.metkore.com)

## E-Voting:

The instructions for and other information relating to e-voting are as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management & Administration] amendment Rules, 2015 and Regulations 44 of SEBI LODR Regulations, 2015, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited [Karvy] on all resolutions set forth in the notice of Annual General Meeting.

In this regard, please find below User ID and Password for e-voting:

EVEN [e voting event number]	
USER ID	XXX
PASSWORD	XXX

- Use the following URL for e voting: <https://evoting.karvy.com>
- Enter the login credentials i.e. user id and password mentioned below:

User ID for members holding shares in demat form:

- For NSDL : 8 character DP ID followed by 8 digits Client ID
- For CDSL : 16 digits beneficiary ID

For Members holding shares in Physical form:

- Event No. followed by Folio Number registered with the Company. Password as e-mailed. In case of shareholders who have not registered their e-mail addresses, their password has been communicated in the physical ballot form sent to them.

Captcha Enter the verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- After entering the details appropriately, click on LOGIN
- You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one number value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the EVENT i.e. Metkore Alloys & Industries Ltd.
- On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click "FOR / AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in 'AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option 'ABSTAIN" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

8. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.,) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at [sudhindrakumar@gmail.com](mailto:sudhindrakumar@gmail.com)
9. Once you have cast your vote on a resolution, you will not be allowed to modify it subsequently.
10. The e-voting portal will be open for voting from 27.09.2016 [10.00 AM] to 29.09.2016 [5.00 PM]. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 23.09.2016, may cast their vote electronically. The e-voting module shall be disabled by KARVY for voting thereafter.
11. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the company as on 23.09.2016.
12. In case of any queries, you may refer the Frequently Asked Questions [FAQs] for shareholders and e-voting. User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. Varghese PA of Karvy Computershare Pvt Ltd at 040 44655000 or at 1800 345 4001 [toll free].
13. The results of e-voting will be placed by the Company on its website: [www.metkore.com](http://www.metkore.com) within two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.
14. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
15. Sri B Sudhindra Kumar, practicing Company Secretary [Membership No FCS 3891] has been appointed as the Scrutinizer to the e-voting process.

## **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No.3**

The Board, on recommendation of the Audit Committee, has approved the appointment of Cost Auditor and remuneration of Rs.30000/- [Rupees Thirty-thousand Only] to conduct the audit of the cost records relating to Ferro Chrome for the year 2016-17. In connection with the Cost Audit for the year ended March 31, 2017, Sri Jithendra Kumar, Cost Accountant has conveyed his willingness to act as Cost Auditor of the Company. In accordance with the Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration for the Cost Auditor as recommended by the Audit Committee and approved by the Board is required to be ratified by the shareholders.

Accordingly, consent of the members is sought for passing an Ordinary resolution.

None of the Directors / key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

### **Item No.4**

The Board of Directors at their meeting held on November 13, 2015 appointed Smt. Shakuntala Prakash Bhat as Additional Director of the Company for a period of 5 years from November 13, 2015, subject to regularization the appointment in the AGM.

Accordingly, consent of the members is sought for passing an Ordinary resolution.

None of the Directors / key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

### **Item No.5**

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956.

The references to specific Sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. Considering that substantive Sections of the Companies Act, 2013 which deal with the general working of the Companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific Sections from Table "F" to Schedule I to the Companies Act, 2013 which sets out the model articles of association for a Company Limited by Shares.

Accordingly, consent of the members is sought for passing an **Special Resolution**.

None of the Directors / key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

Place : Bengaluru  
Date : 11.08.2016

By Order of the Board  
**Mahak S Roy**  
Company Secretary

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE  
FORTH COMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36(3) of the SEBI [Listing Obligations & Disclosure Requirements] Regulations, 2015]**

Name of Director	Smt Shakuntala Prakash Bhat
Date of Birth	06.07.1966
Date of Appointment	13.11.2015
Qualification	Graduate in Commerce from Karnataka University and pursuing C.A. final.
Experience in specific functional areas	She has more than 24 years of experience to her credit with exposure mainly to finance related areas.
Directorship in other Public Limited Companies	Mynah Industries Limited
Member / Chairman of Committee of the Board of Public Limited Companies on which is a Director	NIL
Shares held as on 31.03.2016 [Own or held by / for other person on beneficial basis]	NIL

## **DIRECTOR'S REPORT**

Dear Members,

Your Directors take pleasure in presenting the Tenth Annual Report and the company's audited financial statement for the Financial Year ended March 31, 2016.

### **FINANCIAL RESULTS**

Rs. in lakhs

Particulars	2015-16	2014-15
<b>PROFIT BEFORE TAX</b>	-1133.82	252.43
Less: Current tax	--	--
Deferred tax	29.62	-84.02
<b>PROFIT FOR THE YEAR</b>	-1163.44	336.45
Add: Balance in Profit and Loss Account	5868.69	5532.24
Sub-Total	4705.25	5868.69
LESS: Appropriation		
General Reserves	--	--
Proposed Dividend	--	--
Proposed Dividend on equity	--	--
Corporate Dividend Tax - Preference	--	--
Corporate Dividend Tax Equity	--	--
Adjustment relating to Fixed Assets	--	--
<b>Total</b>	<b>4705.25</b>	<b>5868.69</b>

### **OPERATIONAL REVIEW**

During the year the manufacturing activity has been suspended due to unviable operations except Metal recovery plant operating Harsco India (P) Ltd. The turnover recorded during the year is negligible at Rs 4526.26 laks (last year Rs 28838.61 laks) and not comparable with that of last year. The Metal recovery operations also not upto the mark as expected. During the year under review the Company incurred losses .

The company expecting bright future for the Ferro Alloys Industry as the Government of Andhra Pradesh has extended subsidy @ Rs.1.50 Per unit on Power consumption. Moreover, the Government of India taking initiative to safe guard the interest of Iron & Steel Industry. GO for adjustment of power subsidy on the power bill is yet to be passed by the Government of Andhra Pradesh.

### **DIVIDEND**

The Board of Directors of the Company has not recommended any dividend.

### **TRANSFER TO RESERVES**

During the period, under review, the Company has not transferred any amount to the Reserves.

### **SUBSIDIARY COMPANIES**

The Company has no subsidiary and nothing to disclose.

### **INTERNAL PROCESS & FINANCIAL CONTROL**

The company has in place adequate internal control and internal audit system that commensurate with size and operations . During the year such controls were tested and no reportable material weakness in the design and operations were observed.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year the Company has spent Rs.19.53 Lakhs on CSR activities. An annual report on CSR activities is annexed herewith as Annexure "A"

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a vigil mechanism and Whistle Blower Policy in line with the new governance requirements. The Company has established a vigil mechanism for Directors and employees to report their genuine concerns.

### **PREVENTION OF SEXUAL HARASSMENT AT WORK PLACES**

The Company has zero tolerance for sexual harassment at workplaces and has adopted a policy on prevention, prohibition and redressal



of sexual harassment at workplaces in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules, thereunder.

During the year 2015-16, no case of sexual harassment was pending at the beginning of the year and no case was received during the year nor any case remained pending at the close of the year.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Act is attached to this report - Annexure 'B'.

### **Environment, Safety, Health and Energy Conservation**

Your Company has a vision of being 'Zero' accident plant. This has been achieved through a combination of training and hardware upgradation leveraging core technology concepts and safety standards.

### **PARTICULARS OF EMPLOYEES**

None of the employees is covered for disclosures, as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures with respect to the remuneration of Directors and employees, as required under Section 197 of Companies Act, 2013 and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has been appended as annexure to the report.

### **Board of Directors and Key Managerial Personnel**

During the year, Smt Sarita Boorugu and Sri Nagaraju Chikali have resigned from the Company with effect from 07.10.2015 and 13.11.2015 respectively. The Board appointed Smt Shakuntala Prakash Bhat as Additional Director with effect from 13.11.2015. Smt Shakuntala Prakash Bhat hold office up to the date of forthcoming AGM and being eligible, offered herself to be appointed as Director.

Sri N Sankarayya and Smt Mahak S Roy are Chief Financial Officer and Company Secretary respectively.

The Independent Directors have given the certificate of Independence to your company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI LODR Regulation, 2015 .

The details of training and familiarization programmes and annual board evaluation process for directors have been provided under the Corporate Governance Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that :

- ◆ In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ◆ They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- ◆ They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ◆ They have prepared the annual accounts on a going concern basis;
- ◆ They have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- ◆ They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the company's established policies and procedures have been followed. The Audit Committee constituted by the Board reviews the internal control and financial reporting issues with Internal Auditors.

### **BOARD EVALUATION**

The Board has carried out an annual performance evaluation of its own performance and that of its Committees and individual directors. The manner in which has been carried out has been explained in the Corporate Governance Report.

### **INDEPENDENT DIRECTOR'S MEETING**

During the year, the Independent Directors were met on March 24, 2016.

## BOARD MEETING

During the year six Board Meetings held on May 25, June 26, August 14, September 04, November 13, 2015 and February 10, 2016, as against the minimum requirement of four meetings.

## Related Party Transactions

In line with requirements of the Companies Act, 2013 and LODR regulations, 2015 proper reporting, approval and disclosure process are in place for all transactions between related parties and the Company. All transactions entered were in ordinary course of the business and on arm's length basis. No material related party transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements were entered during the year. Accordingly, related party transactions, as required under section 134(3)(h) of the Companies Act, 2013, in Form AOC 2 is not applicable.

## MANAGEMENT DISCUSSIONS AND ANALYSIS

The management's Discussion and Analysis Report for the year under review, as stipulated under SEBI LODR regulations 2015, form part of this report.

## CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of the SEBI LODR Regulation, 2015, a separate Section on Corporate Governance forms part of this report.

## AUDITORS

### a) Statutory Auditors

M/s Nekkanti Srinivasu & Company [Firm Regn No. 008801S] were appointed as Statutory Auditors by the members for three years and hold office till the conclusion of the ensuing AGM and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The report given by the Auditors on the financial statement of the company is part of the annual report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their report - **Annexure 'C'**.

### b) Cost Auditor

M/s Jithendra Kumar & Co, Cost Accountants carried out the cost audit during the year. The Board of Directors on recommendation of the Audit Committee, have appointed M/s Jithendra Kumar & Co, [Firm Regn No 103347] Cost Accountants for the year 2016-17.

### c) Secretarial Auditor

During the year, Secretarial Audit was carried out by Sri Ramaswamy K, Company Secretary in Practice, the Secretarial Auditor of the Company for the financial year 2015-16. There were no qualification, reservation or adverse remarks given by the Secretarial Auditor and the report is appended to this report - **Annexure 'D'**.

## EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9, as required under Section 92(3) and rule 12 of the Companies [Management and Administration] Rules, 2014, is appended to this report - **Annexure 'E'**.

## DISCLOSURE WITH RESPECT TO EMPLOYEES STOCK OPTION SCHEME

The Company does not have any Employees Stock Option Scheme.

## RISK MANAGEMENT COMMITTEE

The Company has a Risk Management framework in place to identify, assess, monitor and mitigate various risks involved in the Company, which reduces adverse impact and enhance the activities undertaken by the Company. The Committee reviews the process of risk management. Pursuant to the requirement of the Companies Act, 2013, a Committee was constituted comprising S/Shri S Gajendran, Chairman, M V Bhaskara Rao IPS [Retd.] and Smt Shakuntala Prakash Bhat, all Non Executive Independent Directors as members. The Committee has also invited CFO, Sri N Sankaraya to the meeting.

The roles and responsibilities of the Risk Management Committee are as prescribed under SEBI LODR Regulation, 2015, as amended from time to time and includes monitoring and review risk management plan and its risk mitigation and reporting same to the Board of Directors periodically, as it may deem fit.

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORY BODIES/COURTS

During the Financial year, under review, no significant orders passed by the Regulatory/Statutory Authorities/Courts or any other Authority which would impact the going concern status of the Company and its future operations.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

During the year, under review, there were no Loans, Guarantees and Investments made by the Company.

## DEPOSITS

The Company has not accepted any "Deposits" as defined under the Companies Act, 2013

## Appreciation and Acknowledgement

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

Your Directors also like to acknowledge the excellent support and co-operation your company has been receiving from its bankers, suppliers, stakeholders, investors, clients, vendors, Government and Regulatory authorities.

On behalf of the Board of Directors

Place : Bengaluru  
Date : 11.08.2016

**S Gajendran**  
Chairman of the Meeting and  
Non Executive Independent Director  
DIN : 00250136

## ANNEXURE -A

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Our CSR arm drives holistic community initiatives to help address some persistent social challenges in the realms of education, drinking water, health care, skill development. Environment conservation also to be our priority throughout the year.

2. The composition of the CSR Committee:

Sri S Gajendran - Non Executive Independent Director - Chairman  
Sri M V Bhaskara Rao IPS [Retd] - Member  
Smt Shakuntala Prakash Bhat - Member

3. Average net profit of the company for last three financial years: Rs 972.77 lacs
4. Prescribed CSR Expenditure [2% of the amount as in item 3 above] Rs 19.45 lacs
5. Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year Rs. 19.53 lacs
- b. Amount unspent, if any - NIL
- c. Manner in which the amount spent during the financial year is detailed below:

Sl.No.	CSR Project of activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) Project or programs-wise	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency@
1	Drinking water & Roads	Tap connections and CC road works	Ravivalasa colony Tekkali Mandal Srikakulam Dt A.p	19.50 lacs	1. Rs. 19.24 lacs 2. Rs. 0.29 lacs	19.53 lacs	Direct

@give details of implementing agency

1. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report. Not Applicable
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company

Sd/- Chief Executive Officer or Managing Director	Sd/- Chairman CSR Committee	Sd/- Person specified under clause (d) of sub-section (1) of Section 380 of the Act (wherever applicable)
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**ANNEXURE TO THE DIRECTORS' REPORT**

Statement pursuant to Section 134(3) of the Companies Act, 2013, read with and Rule 8(3) of Chapter IX of Companies (Accounts) Rules, 2014.

- A) Conservation of Energy
  - (a) Energy Conservation measures taken : Proposed to connect capacitor Bank at Furnaces to improve power factor to save power charges.
  - (b) Future Proposals for Energy conservation : NIL
  - (c) Impact of measures at (a) & (b) for reduction of energy consumption : Helping in saving energy
- B) Technology Absorption, adaptation & Innovation :NIL
- C) Global Business strategies, if any NIL
- D) Foreign exchange earning & outgo : NIL

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
METKORE ALLOYS & INDUSTRIES LIMITED  
Report on the Financial Statements**

We have audited the accompanying (Standalone) financial statements of METKORE ALLOYS & INDUSTRIES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the (Standalone) Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note 15 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of  
**For NEKKANTI SRINIVASU & CO.,**  
Chartered Accountants  
Firm's Registration Number: 008801S

**CA.N.SRINIVASU**  
Partner  
Membership number: 209453

Place : Hyderabad  
Date: 30/05/2016

### "Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, the dues as at 31st March, 2016 of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, which have not been deposited on account of dispute, are as follows:

S.No.	Name of the Statute	Nature of Dues Amount (Rs. in Lacs)	Period to which the amount relates Forum where dispute is pending
01.	Sales Tax	3.51	S.T.A.T for the year 1998-99
02.	Sales Tax	6.25	High Court for the year 1996-97
	TOTAL	9.76	

- 8) Based on our audit procedures and as per the information and explanations give to us by the management, We are of the opinion that during the year the company has defaulted in repayment of loan to State Bank of Travancore. The company has not issued any debentures as at the balance sheet date.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of  
**For NEKKANTI SRINIVASU & CO.,**  
Chartered Accountants  
Firm's Registration Number: 008801S

**CA.N.SRINIVASU**  
Partner  
Membership number: 209453

Place : Hyderabad  
Date: 30/05/2016

## **“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of METKORE ALLOYS & INDUSTRIES LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of METKORE ALLOYS & INDUSTRIES LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For and on behalf of

**For NEKKANTI SRINIVASU & CO.,**

Chartered Accountants

Firm's Registration Number: 008801S

**CA.N.SRINIVASU**

Partner

Membership number: 209453

Place : Hyderabad

Date: 30/05/2016

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Metkore Alloys & Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Metkore Alloys & Industries Limited.(hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. However, during the Financial Year ending March 31, 2016, the Company had no operations.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31,2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

The Foreign Exchange Management Act,1999 and the rules made thereunder;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992.
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

All statutory returns are being made up to date.

ESI facility is not covered.

Mynah Industries Limited is a related party with whom transactions regarding sales and purchases take place. However, during the Financial Year ended March 31, 2016, there were not much transactions.

The provisions of the Securities Contract Regulation Act 1956 and the rules made there under are not applicable to the company.

I, further, report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I, further, report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

Place : Bangalore  
Date : 25/07/2016

Signature : **KALYAN RAMASWAMY**  
ACS No. 10995  
C P No.: 14404



**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015**  
**of**  
**METKORE ALLOYS & INDUSTRIES LIMITED**

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

<b>I REGISTRATION AND OTHER DETAILS</b>					
i	CIN	L27101AP2006PLC049591			
ii	Registration Date	23.03.2006			
iii	Name of the Company	METKORE ALLOYS & INDUSTRIES LIMITED			
iv	Category / Sub-Category of the Company	PUBLIC			
v	Address of the Registered Office and contact details	Plot No.18, Street No.1 Sagar Society Road No.2, Banjara Hills, HYDERABAD 500 034 Tel : 040 2354 0195 Fax : 040 2355 4498			
vi	Whether listed Company	Yes			
vii	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Karvy Computershare Private Limited Karvy Selenium Tower 'B' Plot No. 31 & 32, Gachibowli Financial District, Nanakram Guda, Hyderabad-500 032.			
<b>II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>					
		All the business activities contributing 10 % or more of the total turnover of the company shall be stated			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company		
1.	High Carbon Ferro Chrome Alloys	24104	12.26%		
2.	Stainless Steel Hot Rolled Coils and Bars	24105	87.74%		
<b>III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NA</b>					
S. No.	Nam and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.					
2.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year 31-03-2015				No. of Shares held at the end of the year 31-03-2016				% Change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters and Promoter Group</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	6000000	0	6000000	8.52	19267582	0	19267582	27.36	18.84
(b) Central Govt/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	2902070	0	2902070	4.12	2902070	0	2902070	4.12	0.00
(d) / Banks	0	0	0		0	0			
(e) Other...	0	0	0		0	0			
<b>Sub-Total(A) (1):-</b>	<b>8902070</b>	<b>0</b>	<b>8902070</b>	<b>12.64</b>	<b>22169652</b>	<b>0</b>	<b>22169652</b>	<b>31.48</b>	<b>18.84</b>
<b>(2) Foreign Individuals (NRIs/Foreign)</b>									
(a) Individuals	0	0	0		0	0	0	0	0
(b) Bodies Corp.	43292205	0	43292205	61.47	21031901	0	21031901	29.86	-31.61
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e) Other...	0	0	0	0	0	0	0	0	0
<b>Sub-Total(A) (2):-</b>	<b>43292205</b>	<b>0</b>	<b>43292205</b>	<b>61.47</b>	<b>0</b>	<b>0</b>	<b>21031901</b>	<b>29.86</b>	<b>-31.61</b>
<b>Total A = A(1)+ A(2)</b>	<b>52194275</b>	<b>0</b>	<b>52194275</b>	<b>74.11</b>	<b>43201553</b>	<b>0</b>	<b>43201553</b>	<b>61.34</b>	<b>-12.77</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds/UTI	0	2660	2660	0	0	2660	2660	0	0.00
(b) Financial Inst/Banks	1187515	570	1188085	1.69	1187515	570	1188085	1.69	
(c) Central Govt/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1):-</b>	<b>1187515</b>	<b>3230</b>	<b>1190745</b>	<b>1.69</b>	<b>1187515</b>	<b>3230</b>	<b>1190745</b>	<b>1.69</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	2776500	39025	2815525	4.00	3364177	39025	3403202	4.83	0.83
(b) Individuals									
(i) Individuals holding nominal share capital upto Rs. 1 lakh	5245237	2127905	7373142	10.47	7923300	2111530	10034830	14.25	3.78
(ii) Individuals holding nominal share capital in excess of Rs. 1 lakh	5376832	0	5376832	7.63	10810480	0	10810480	15.35	7.72
(c) Others									
(i) Clearing Members	17898	0	17898	0.03	6749	0	6749	0.01	-0.02
(ii) HUF	227005	0	227005	0.32	349089	0	349089	0.50	-0.17
(iii) Non Resident Indians	1092733	137560	1230293	1.75	1291507	137560	1429067	2.03	0.28
(iv) Overseas Corporate bodies	0	760	760	0.00	0	760	760	0.00	0.00
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(2):-</b>	<b>14736205</b>	<b>2305250</b>	<b>17041455</b>	<b>24.20</b>	<b>23745302</b>	<b>2288875</b>	<b>26034177</b>	<b>36.97</b>	<b>12.77</b>
<b>Total B= B(1)+ B(2) :</b>	<b>15923720</b>	<b>2308480</b>	<b>18232200</b>	<b>25.89</b>	<b>24932817</b>	<b>2292105</b>	<b>27224922</b>	<b>38.66</b>	<b>12.77</b>
<b>Total (A+ B) :</b>	<b>68117995</b>	<b>2308480</b>	<b>70426475</b>	<b>100.00</b>	<b>68134370</b>	<b>2292105</b>	<b>70426475</b>	<b>100.00</b>	<b>0.00</b>
<b>C. Shares held by Custodians, against which depository Receipts have been issued</b>									
(i) Promoter & Promoter group									
(ii) Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+ B+ C)</b>	<b>68117995</b>	<b>2308480</b>	<b>70426475</b>	<b>100.00</b>	<b>68134370</b>	<b>2292105</b>	<b>70426475</b>	<b>100.00</b>	<b>0.00</b>

## (i) Category-wise Share Holding

## (ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1	Cronimet Mercon Invest Limited	43292205	61.47	0	21031901	29.86	0	31.61
2	Sarita Boorugu	3000000	4.26	0	3000000	4.26	0	0
3	Prashant Boorugu	3000000	4.26	0	16267582	23.10	16260304	18.84
4	Mynah Industries Limited	2902070	4.12	0	2902070	4.12	0	0
	<b>TOTAL</b>	<b>52194275</b>	<b>74.11</b>	<b>0</b>	<b>43201553</b>	<b>61.34</b>	<b>0</b>	<b>0</b>

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

S. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	52194275	74.11	43201553	61.34
2	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		a. Cronimet Mercon Invest Ltd disposed 11.05.2015 - 15,00,000 shares 28.05.2015 - 45,00,000 shares 02.07.2015 - 16260304 shares		
			b. Prashant Boorugu	Acquired	Disposed-off Balance
			02.07.2015	16260304	16260304@
			03.07.2015		26940
			12.10.2015		6231
			30.10.2015		40000
			02.11.2015		50000
			03.11.2015		50000
			05.11.2015		50000
			09.11.2015		25000
			01.12.2015		49740
			02.11.2015		19811
			12.02.2016		2675000@
			31.03.2016		7278
	At the end of the year	43201553	61.34	43201553	61.34

@ pledged favouring Reliance Capital &amp; Sara Capital

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

S. No.	Top to Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Rammohan Rao	2900154	0.00	2900154	0.00
2	Ashish Nanda	966855	0.00	966855	0.00
3	Rose Gems Private Ltd	867800	0.00	867800	0.00
4	United India Insurance Company Limited	807515	0.00	807515	0.00
5	Shyamala Ramchandran	632500	0.00	0	0.00
6	Manasa Strategic Consultants Private Ltd	438730	0.00	438730	0.00
7	General Insurance Corporation of India	380000	0.00	380000	0.00
8	Parrys Sugar Industries Ltd	250000	0.00	250000	0.00
9	R Narayani	220000	0.00	220000	0.00
10	Ravindra Kumar Vijayvergiya	161652	0.00	161652	0.00

**(v). Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	0	0	0	0
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid	4760.00	NIL	NIL	4760.00
iii) Interest accrued but not due	179.59			179.59
<b>Total (i+ ii+ iii)</b>	4939.59			4939.59
<b>Change in Indebtedness during the financial year</b>				
• Addition				
• Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4760.00	NIL	NIL	4760.00
ii) Interest due but not paid	179.59			179.59
iii) Interest accrued but not due				
<b>Total (i+ ii+ iii)</b>	4939.59	0	0	4939.59

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Ch. Nagaraju	-	-	-	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	243000				243000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39000				39000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
	Stock Option					
	Sweat Equity					
	Commission					
	- as % of profit					
	- others, specify...					
	Others, please specify					
	<b>Total (A)</b>	<b>2,82,000</b>				<b>2,82,000</b>

**B. REMUNERATION TO OTHER DIRECTORS:****in Rs.**

S. No.	Particulars of Remuneration	Name of Directors / Shri			Total Amount (Rs.)
		S Gajendran	M V Bhaskara Rao	Shakuntala Prakash Bhat	
1	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	60,000	60,000	20,000	1,40,000
	Total (1)				
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify				
	Total (2)				
	Total (B)= (1+ 2)	60,000	60,000	20,000	1,40,000
	Total Managerial Remuneration	60,000	60,000	20,000	1,40,000

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,00,000 0	6,00,000 4,56,000	7,00,000 4,56,000
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total	1,00,000	10,56,000	11,56,000

**VII. PENALTIES FOR PUNISHMENT / COMPOUNDING OFFENCES :****In. Rs.**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority RD/NCLT/Court	Appeal Made, if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	Nil				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil				
Punishment					
Compounding					

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, General Managers, Senior Managers and the Company Secretary as on March 31, 2016.

Bengaluru,  
August 11, 2016

**N. Sankareayya**  
Chief Financial Officer

## **INDEPENDENT AUDITORS' COMPLIANCE CERTIFICATE TO THE MEMBERS OF METKORE ALLOYS & INDUSTRIES LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Metkore Alloys & Industries Limited ("the Company"), for the year ended on March 31, 2016, as stipulated in:
  - Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges) for the period April 1, 2015 to November 30, 2015.
  - Clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges for the period April 1, 2015 to September 1, 2015.
  - Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2, 2015 to March 31, 2016
  - Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **For Nekkanti Srinivasu & Co**

Chartered Accountants  
(Firm Registration No. 008801S)

### **Nekkanti Srinivasu**

Partner (Membership No. 209453)

Hyderabad,  
August 11, 2016

## **MANAGEMENT DISCUSSIONS AND ANALYSIS**

### **a. Industry structure and developments**

Ferro Alloys industry purely depend on chrome ore availability . Presently the company getting ore from Odissa Mining corporation and importing of chrome ore lumps. The prices of Raw material varying Month to Month. The company taking initiative to develop own natural resources of captive chrome ore mines.

### **b. Opportunities and Threats**

Every industry facing threats ferro alloy industry also not barred to this therat. Theats like fall in internation market , low consumption of steel , increase of prices of Input.

To overcome the company taking intiaves effective utilization resources , developing own mines , upgrading of new techlonogy and new avenues for products and value added products.

**c. Segment-wise or product-wise performance**

The company operates in single segment of Ferro Alloys comes under Iron & steel.

**d. Outlook**

Indias long -term growth potential continues to be strong with focus on infrastructure creation, improving manufacturing and farm output and stronger regulatory frame work , Make in india initiative and attractive more FDI into the country .

The stainless steel market is dominated by China , accounting for almost half of the global market. China is the largest and fastest growing producer and consumer of stainless steel and seems to retain its leading position. The European union steel market is yet to be revived in 2017.However it is expected to stronger by 2020.

The global High carbon Ferro chrome demand illustrated robust growth of 9.5 % in 2016 and expected to grow at 5 % in next 5 years.

**e. Risks and concerns**

Despite the economy gaining, the ferro alloy industry scenario in India as well as globally continued remain subdued during the year under review. The future of Ferro Alloy industry directly depends on Stainless steel industry. Government taking measures to protect the steel industry imposing anti dumping duty, taking up more infrastructure projects, FDI in real estate measures .

**f. Internal control systems and their adequacy**

The company has put in place an effective internal control system along with internal audit system that commensurate with size and activities. The reports are scrutinized by the management and placed before the Board. Suggestions if any for improvement are implemented.

**g. Discussion financial performance with respect to operational performance**

During the year the company operations are suspended due unviable market conditions hence the performance of the company not comparable .

**h. Material development in Human Resources /Industrial front, including number of people employed**

Effective human resource management plays a key role in company's performance . The company's top priority is that it will retain dedicated and skill workmen who are assets to the company and provides conducive environment and career development opportunities . The company conducts group discussions and elicit their knowledge in their work environment and their suggestions always implemented .

The number of employees on the company's rolls as on 31st March 2016 is 195

**i. Research and Development**

The company continues to derive sustainable benefit from research & development and innovative methods to develop better product with cost effective.

**Technology Absorption**

The company always be in continuous contracts with expertise in Ferro alloys industry and upgrade latest Technology in the industry.

**j. Environment, Safety, Health and Energy Conservation**

The company always takes safety measures at working places. Safety always on top priority. Environmental side the company taking initiative for green plantation at plant and surrounding areas.

**REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2015-16**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.**

The Company believes that sound Corporate Governance is critical and of paramount importance to enhance and retain investors trust. The philosophy of the Company is founded upon the basic tenets of transparency, integrity, honesty, accountability, upholding its values and beliefs which will reverberate in every action in line with the spirit of the principles of Governance. We recognize that Governance is a conscious and continuous process across the Organization, which enables the Company to adopt best practices to retain and enhance the trust of all our stakeholders

**2. BOARD OF DIRECTORS:**

The Board consist of 3 members and all are Independent Directors. The Board's actions and decisions are aligned with the Company's best interests. There is no inter se relationship between the Directors.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating

plans and capital allocation and budgets.

Six Board Meetings held on May 25, June 26, August 14, September 04, November 13, 2015 and February 10, 2016 during the year, as against the minimum requirement of four meetings.

The details of Board meetings, AGM and its attendance are given below::

Name of the Director and DIN S/Shri/Smt	Category	Attendance at meeting during 2015-16		No of Directorship (s) as on 31.03.2016	No of Membership(s) / Chairmanship(s) of Committee in other Companies as on 31.03.2016	No of Shares and Convertible Instruments held by Directors
		Board	AGM			
S Gajendran 00250136	Non Executive Independent Director	6	Yes	2	1	0
M V Bhaskara Rao 01526381	Non Executive Independent Director	6	Yes	1	1	0
Chikali Nagaraju1 07053626	Executive Director	5	Yes	-	-	0
Shakuntala Prakash Bhata 07245416	Non Executive Independent Director	2	NA	1	-	0
Sarita Boorugu <sup>2</sup> 00332209	Promoter & Non Executive Director	3	NA	-	-	3000000

1 & 2 ceased w.e.f. 13.11.2015 and 07.10.2015 respectively a: appointed w.e.f. 13.11.2015

#### Familiarisation programmes for Independent Directors

The Company has laid down the detail policy / program for familiarisation of Independent Directors. The program aims to provide insight into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The Company shall through its MD/Whole-time Director / KMP conduct programs / presentation periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

Such Programs / presentation provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the company's strategy, operations, markets, organization structure, finance, human resources, and risk management.

## 1. BOARD COMMITTEES

The Company has constituted following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate social Responsibility committee
5. Risk Management Committee

### 3.1 Audit Committee:

The Company had constituted an Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Audit Committee were :

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.



The scope of the Audit Committee has been in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4 meetings held during the year viz., May 25, August 14, November 13, 2015 and February 10, 2016. The attendance of the Committee Members is as follows:

Sr. No.	Name of the Member	Status	No. of meetings	
			Held	Attended
1.	Sri. S Gajendran	Chairman	4	4
2.	Sri. M V Bhaskara Rao IPS [Retd]	Member	4	4
3.	Sri. Chikali Nagaraju@	Member	2	1
4.	Smt. Shakuntala Prakash Bhat#	Member	1	1

@/# ceased/appointed w.e.f. 13.11.2015

#### NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted the 'Nomination and Remuneration Committee' with the scope as prescribed under the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The broad terms of reference of the Remuneration Committee are inter-alia to periodically reviewing the size and composition of the Board, formulating the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, establishing and reviewing Board and senior executive succession plans, evaluation of Board Performance, reviewing and making recommendations to the Board on the remuneration of the Managing Director, Executive Director and KMPs, the total level of remuneration of Non-Executive Directors and for individual remuneration of the Non-Executive Directors and the Chairman. The Committee also undertakes the functions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year the members of the Committee met two times viz. June 15 and November 13, 2015

Sr. No.	Name of the Member	Status	No. of meetings	
			Held	Attended
1.	Sri. S Gajendran	Chairman	4	4
2.	Sri. M V Bhaskara Rao IPS [Retd]	Member	4	4
3.	Sri. Chikali Nagaraju@	Member	2	1
4.	Smt. Shakuntala Prakash Bhat#	Member	1	1

@/# ceased/appointed w.e.f. 13.11.2015

#### Remuneration to Directors

Sri Chikali Nagaraju paid Remuneration of Rs 2.82 lacs

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and in compliance with the requirement of SEBI, LODR, 2015, the Board has carried out annual performance evaluation of its own performance, Directors individually as well evaluation of the working of its committees. Structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its committees, board culture, execution and performance of specific duties / obligation and governance.

#### 3.1 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders Relationship Committee consists of S/Shri S Gajendran, Chairman, M V Bhaskara Rao IPS [Retd], Chikali Nagaraju [from 13.02.2015] and Smt Shakuntala Prakash Bhat [w.e.f 13.11.2015] as members of the Committee.

The functions of the Committee include (i) dealing with the investors complaints viz., delay in transfer of shares, non-receipt of annual report, dividends / share certificates, dematerialization of shares, replacement of lost / stolen / mutilated shares certificate etc., (ii) investigating into investor complaints and taking necessary steps for redressal thereof.

The Committee met on May 25, August 14, November 13 and February 10, 2016.

Name of the Member Smt./Shri	No. of meetings	
	Held	Attended
S Gajendran	4	4
M V Bhaskara Rao IPS [Retd]	4	4
Chikali Nagaraju@	2	1
Shakuntala Prakash Bhat#	1	1

@/# ceased/appointed w.e.f. 13.11.2015

Name and designation of Compliance Officer: Smt Mahak S Roy, Company Secretary

Report on number of shareholder complaints received and resolved by the Company during the year ended March 31, 2016:

No. of complaints pending as on April 1, 2015	0
No. of complained identified and reported during FY 2015-16	36
No. of complaints disposed of during the year ended March 31, 2016	36
No. of pending complaints as at March 31, 2016	0

### Corporate Social Responsibility Committee

Corporate Social Responsibility Committee of the Company was constituted on 13.11.2014 consisting of S/Shri S Gajendran, Chairman, M V Bhaskara Rao IPS [Retd.] and Chikali Nagaraju [upto 13.11.2015] and Smt Shakuntala Prakash Bhat [from 13.11.2015] as members. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013. The Committee is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of its policy.

The terms of reference of the committee includes formulation and recommendation to the Board, a Corporate Social Responsibility [CSR] Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under, recommending the amount of expenditure to be incurred on CSR activities and monitoring the implementation of its policy from time to time.

The Committee met once on 13.11.2015 and all the members attended the meeting.

### Risk Management Committee

Risk Management Committee was constituted on 13.02.2015 pursuant to the requirement of the Companies Act, 2013 and regulation 21 of LODR, the Committee comprises S/Shri S Gajendran, Chairman, M V Bhaskara Rao IPS [Retd.] and Chikali Nagaraju [upto 13.11.2015] and Smt Shakuntala Prakash Bhat [wef 13.11.2015] as members. It met once on 13.11.2015 and all the members attended the meeting.

The Committee has also invited CFO, Sri N Sankarayya to the meeting.

The roles and responsibilities of the risk management committee are as prescribed under Regulation 21 of LODR , includes monitoring and review risk management plan and its risk mitigation and reporting same to the board of Directors periodically, as it may deem fit.

### Subsidiary Companies

The Company has no subsidiary and nothing to disclose.

### GENERAL BODY MEETINGS:

Details of Annual General Meetings held during last three years are as follows:

Year	Location	Date	Time
2012-13	Hotel Sreekrishna Grand, Miyapur X Road, Hyderabad 500049	27.09.2013	11.00 AM
2013-14	Hotel Sreekrishna Grand, Miyapur X Road, Hyderabad 500049	29.09.2014	11.00 AM
2014-15	Hotel Sreekrishna Grand, Miyapur X Road, Hyderabad 500049	30.09.2015	10.00 AM

- No Extra Ordinary General Meeting was held during the year.
- No special resolution was passed in the previous three annual general meetings
- No special resolution passed last year through postal ballot
- The Company is not proposing any special resolution to be conducted through postal ballot

### 4. MEANS OF COMMUNICATION:

The quarterly/Annual Financial results of the Company are published in "Business Standard/ MINT", [National Daily], Andhra Prabha/ Hyderabad Mirror [regional daily] and also posted on the Company's website [www.metkore.com](http://www.metkore.com).

Besides, the Company also submits interalia to the stock exchanges, the Annual report, quarterly/half yearly/yearly/unaudited/audited financial results, review reports of Auditors, Shareholding pattern, secretarial Audit Report, disclosure as per SEBI(SAST) Regulations and SEBI[Prohibition of Insider Trading] Regulations, details of appointment/resignation of director and Company Secretary and such other reports as may be specified.

## 5. GENERAL SHAREHOLDER INFORMATION:

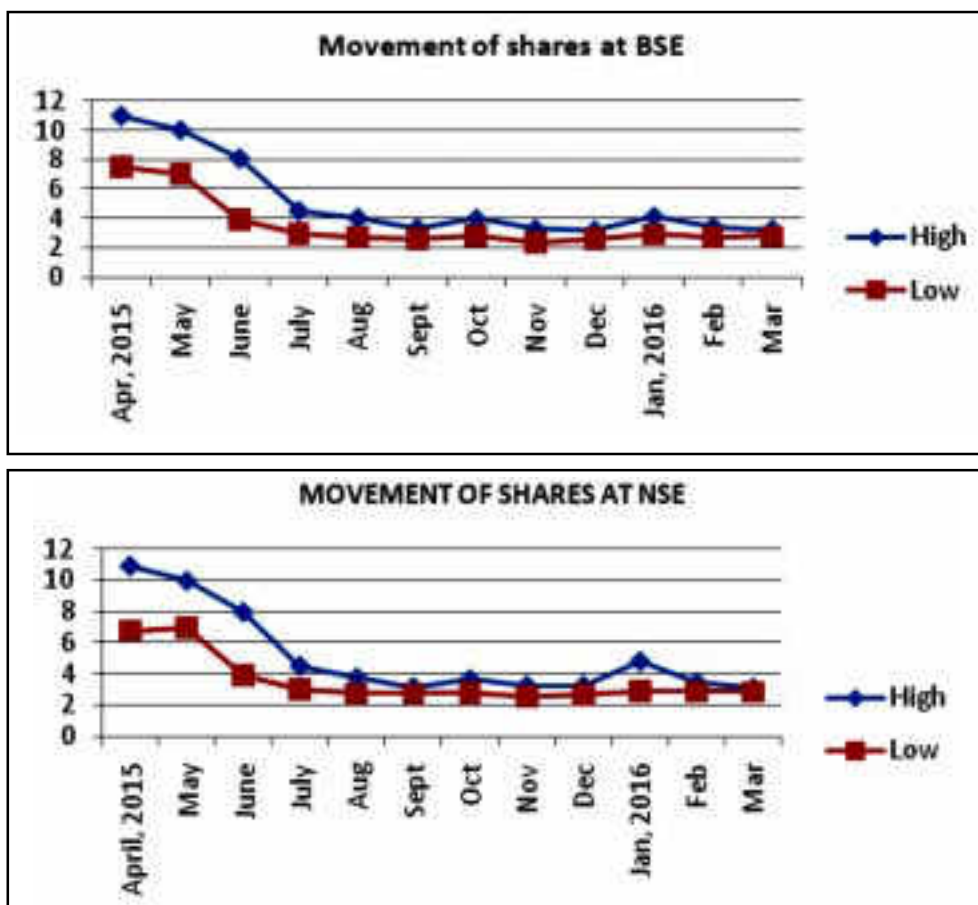
Sr. No	Particulars	
a.	10th Annual General Meeting - date, time and venue;	Day/Date : Friday 30.09.2016, Time : 10.00 A.M Venue : Hotel Sreekrishna Grand, Miyapur X Road, HYDERABAD 500 049
b.	Financial year	2015-16 (April to March)
c.	Dividend payment date	No dividend has been declared during this year
d.	name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s);	1. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400051  2. National Stock Exchange of India Limited Exchange Plaza (5th Floor) Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051
e.	Stock code; ISIN Code BSE Code NSE Scrip Code	INE592101011 532990 METKORE
f.	Date of Book Closure	September 23 to 30, 2016 (both days inclusive)
g.	in case the securities are suspended from trading, the directors report shall explain the reason thereof	N.A
h.	commodity price risk or foreign exchange risk and hedging activities	N.A
i.	Plant locations	Ravivalasa Village 532 212, Tekkali Mandal, Srikakulam District, Andhra Pradesh
j.	Address for correspondence	Metkore Alloys & Industries Limited Plot No.18, Street No.1, Sagar Society, Road No.2, Banjara Hills, HYDERABAD 500 034 Phone : (040) 23540195 Email id: secretarial@metkore.com

This is to confirm that the Company has made the payment of Listing Fee till the year 2016-17 to both the Stock Exchanges i.e. BSE & NSE.

### k. Market price data- high, low during each month in last financial year;

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2015	10.96	7.50	10.95	6.80
May	10.00	7.02	10.00	7.00
June	8.07	3.95	8.00	3.90
July	4.52	2.97	4.55	3.00
August	4.04	2.74	3.80	2.75
September	3.34	2.60	3.20	2.75
October	3.97	2.82	3.70	2.80
November	3.28	2.36	3.30	2.55
December	3.19	2.64	3.30	2.65
January, 2016	4.12	2.90	4.85	2.90
February	3.44	2.76	3.50	2.85
March	3.24	2.79	3.15	2.85

## I. Stock Performance



## k. Registrar to an issue and Share Transfer Agents

Karvy Computershare Pvt. Ltd.  
 Karvy Selenium Tower 'B'  
 Plot No. 31 & 32, Gachibowli Financial District  
 Nanakram Guda, Hyderabad - 500 032.  
 Phone : (040) 23420819 to 24  
 Fax : (040) 23420814  
 Email id : einward.ris@karvy.com

## l. Share Transfer System

96.75% of the shares of the Company are in electronic form. Regarding transfer of shares held in physical form, the transfer documents can be lodged with Share Transfer Agents i.e. Karvy Computershare Private Limited or at the Registered Office of the Company and the same is/are processed within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company obtain half yearly certificate from a Company Secretary in practice regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Regulation 40 of SEBI (LODR) Regulation, 2015.

Distribution of shareholding of equity shares as at March 31, 2016

Sl. No.	Category (Shares)	Number of			% to Equity
		Shareholders	% to holders	Shares	
1	1-5000	15859	97.53	6718523	9.54
2	5001-10000	165	1.01	1265137	1.80
3	10001-20000	115	0.71	1667604	2.37
4	20001-30000	33	0.20	832333	1.18
5	30001-40000	12	0.07	429115	0.61
6	40001-50000	13	0.08	586970	0.83
7	50001-100000	26	0.16	1934880	2.75
8	100001 and above	37	0.23	56991913	80.92
	TOTAL	16260	100.00	70426475	100.00

Category of Shareholders as at March 31, 2016

Sl. No.	Category	Number of		% to Total Shares
		Shareholders	Shares	
1	Promoters -			
	i. Bodies Corporate	2	23933971	33.98
	ii. Individuals	2	19267582	27.36
2	Financial Institutions / Banks	3	1188085	1.69
3	Clearing Members	10	6749	0.01
4	HUF	178	349089	0.50
5	Bodies Corporate	225	3351611	4.76
6	Non Resident Indians	133	1429067	2.03
7	Overseas Bodies Corporate	1	760	-
8	Individuals	15702	20845310	29.60
9	FIIS	0	0	-
10	Mutual Funds/UTI	3	2660	0.01
11	NBFC	1	51591	0.07
	TOTAL	16260	70426475	100.00

o. Dematerialisation of Shares

The Company has registered with NSDL and CDSL and the ISIN is: INE592101011  
The mode of holding of company's shares as at March 31, 2016 is as under

Sl. No.	Description	Number of		% Equity
		Shareholders	Shares	
1	PHYSICAL	7098	2292105	3.25
2	NSDL	6341	56559932	80.32
3	CDSL	2821	11574438	16.43
	TOTAL	16260	70426475	100.00

p. Outstanding GDRs or ADRs or Warrants or Convertible Instruments

The Company has not issued any GDRs / ADRs / Warrants / Convertible Instruments during the year.

1. OTHER DISCLOSURES

- (a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.  
There were no such transaction which may have potential conflict with the interests of the Company.
- (b) Details of non compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:  
There was no non-compliance of any provisions applicable to the Company.
- (c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adequate vigil mechanism in place.

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

- (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all applicable mandatory requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

- (e) Web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have any material subsidiaries.

- (f) Web link where policy on dealing with Related Party transactions

Related details will be posted, as and when arise, on [www.metkore.com](http://www.metkore.com)

- (g) Disclosure on commodity price risks and commodity hedging activities Not applicable

1. Non-compliance of any requirement of corporate governance report of sub-para mentioned above with reasons thereof shall be disclosed

There was no non-compliance of any of the provisions applicable to the Company.

2. The Corporate Governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted

The Company has adopted following discretionary requirements as specified in Part E of Schedule II:

- The Company has moved towards a regime of financial statements with unmodified audit opinion.

- The Company has separate posts of chairperson and Managing Director

- The internal auditor is free to report directly to the audit committee.

3. The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46 shall be made in the section of corporate governance of the annual report

Complied wherever applicable.

4. Disclosure by key managerial personnel about related party transactions:

During the year under review, there were no materially significant related party transactions, which have potential conflict with the interest of the company at large.

The Company has laid down a policy for dealing with Related Party Transactions. This policy is displayed on the website of the Company, viz, [www.metkore.com](http://www.metkore.com)

5. Disclosure of Accounting Treatment

The applicable Accounting Standards as issued by the Institute of Chartered Accountants of India and notified by the Central Government under Companies (Accounting Standards) Rules, 2006 as amended from time to time, have been followed in preparation of the financial statements of the company.

6. Board Disclosures Risk Management

The procedures for risk assessment and minimisation have been disclosed elsewhere in the annexure to the Directors' Report.

7. Proceeds from public issues, rights issues, preferential issues etc:

The company has not made any capital issues during the financial year.

8. Matters related to Capital Markets:

The company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the company by any Stock Exchange or SEBI or any statutory authority, on any matter relating to capital markets, during the last three years.

9. CEO/CFO Certification

Chief Financial Officer of the Company has given a certificate to the Board of Directors as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, for the year ended March 31, 2016.

10. Share Capital Reconciliation Audit

A qualified practicing Company Secretary carried out Share Capital Reconciliation audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held in electronic mode with NSDL and CDSL.

# BALANCE SHEET AS AT 31 ST MARCH 2016

(in Rs.)

Sl. No.	Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I.</b>	<b>Equity and Liabilities</b>			
	<b>1. Shareholders' Funds</b>			
	a) Share Capital	2	227,364,650	227,364,650
	b) Reserves & Surplus	3	881,763,850	998,107,593
			<b>1,109,128,500</b>	<b>1,225,472,243</b>
	<b>2. Non-Current Liabilities</b>			
	(a) Long Term Borrowings	4	1,375,493	2,068,027
	(b) Deferred Tax Liability (Net)		30,146,760	27,185,028
			<b>31,522,253</b>	<b>29,253,055</b>
	<b>3. Current Liabilities</b>			
	(a) Short Term Borrowings	5	493,958,630	456,532,422
	(b) Trade Payables	6	195,387,744	124,477,190
	(c) Other Current Liabilities	7	48,894,780	47,962,728
	(d) Short Term Provisions	8	94,028,485	78,885,541
			832,269,638	707,857,882
	<b>TOTAL</b>		<b>1,972,920,391</b>	<b>1,962,583,180</b>
<b>II.</b>	<b>Assets</b>			
	<b>1. Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	9	154,892,598	166,125,772
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress		118,226,118	118,226,118
	(b) Non Current Investments	10	211,000	211,000
	(c) Long Term Loans & Advances	11	277,427,426	277,427,426
			<b>550,757,142</b>	<b>561,990,216</b>
	<b>2. Current Assets</b>			
	(a) Current Investments		-	-
	(b) Inventories	12	682,518,270	725,831,679
	(c) Trade Receivables	13	495,300,759	475,143,599
	(d) Cash and Cash Equivalents	14	4,616,527	2,419,603
	(e) Short Term Loans & Advances	15	230,261,210	187,032,782
	(f) Other Current Assets	16	9,466,483	10,165,201
			<b>1,422,163,248</b>	<b>1,400,592,864</b>
	<b>TOTAL</b>		<b>1,972,920,390</b>	<b>1,962,583,180</b>

As per our report of even date attached

**For Nekkanti Srinivasu & Co**

Chartered Accountants

Firm Regn. No.008801S

For and on behalf of the Board

**CA N Srinivasu**

PARTNER

M.No. 209453

**Shakuntala Prakash Bhat**

Non-Executive Independent Director

DIN :

**S Gajendran**

Non-Executive Independent Director

DIN : 00250136

Place : Bengaluru

Date : 30th May, 2016

**N. Sankarayya**

Chief Financial Officer

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

(in Rs.)

Sl. No.	Particulars	Note No.	Year ended 31.03.2016	Year ended 31.03.2015
I.	Revenue from Operations	17	452,406,517	2,880,215,861
II.	Other Income	18	220,332	3,644,813
III.	<b>Total Revenue (I+II)</b>		<b>452,626,849</b>	<b>2,883,860,674</b>
IV.	<b>Expenses</b>			
	Cost of Materials Consumed	19	-	309,122,213
	Purchases of Traded Goods	20	415,411,759	2,311,024,432
	(Increase)/Decrease in Inventories	21	43,316,639	(130,913,035)
	Employee benefit expenses	22	31,557,811	47,328,599
	Finance costs	23	36,592,088	72,466,604
	Depreciation and amortisation expenses	9	12,300,619	28,554,500
	Other expenses	24	2,682,945	221,034,307
	<b>Total Expenses</b>		<b>566,008,860</b>	<b>2,858,617,620</b>
V.	<b>Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>		(113,382,011)	25,243,053
VI.	Exceptional items : Prior Period Income		-	-
VII.	<b>Profit / (Loss) before exceptional and tax (V-VI)</b>		(113,382,011)	25,243,053
VIII.	Extraordinary items		-	-
IX.	<b>Profit / (Loss) before tax</b>		(113,382,011)	25,243,053
X.	<b>Tax Expenses</b>			
	Current Income Tax			
	Deferred income Tax		2,961,732	(8,401,656)
	<b>Total</b>		<b>2,961,732</b>	<b>(8,401,656)</b>
XI.	<b>Profit for the year from continuing operations (IX-X)</b>		<b>(116,343,743)</b>	<b>33,644,709</b>
XII.	<b>Earning Per Equity Share</b>			
	(1) Basic		(1.65)	0.48
	(2) Diluted		(1.65)	0.48

As per our report of even date attached

**For Nekkanti Srinivasu & Co**

Chartered Accountants

Firm Regn. No.008801S

For and on behalf of the Board

**CA N Srinivasu**

PARTNER

M.No. 209453

**Shakuntala Prakash Bhat**

Non-Executive Independent Director

DIN :

**S Gajendran**

Non-Executive Independent Director

DIN : 00250136

Place : Bengaluru

Date : 30th May, 2016

**N. Sankarayya**

Chief Financial Officer



# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lakhs)

	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>A. Net Profit Before Tax and Extra Ordinary Items</b>	(1,133.82)	252.43
Adjustments for:		
Depreciation	123.01	285.55
Interest and Financial charges	365.92	724.67
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(644.89)</b>	<b>1,262.64</b>
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(201.57)	(1,219.78)
(Increase)/Decrease in Loans & Advances	(425.30)	12.02
(Increase)/Decrease in Inventories	433.13	(689.27)
Increase/(Decrease) in Trade and other Payables	869.86	(540.14)
<b>Cash generated from operations</b>	<b>31.23</b>	<b>(1,174.52)</b>
Direct Taxes paid		
<b>Net Cash from Operation Activities</b>	<b>31.23</b>	<b>(1,174.52)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed assets including Capital Work in Progress/Long term advances	(10.67)	34.93
(Purchase)/Sale of Investments	-	-
	<b>(10.67)</b>	<b>34.93</b>
<b>C. Cash flow from financing activities</b>		
Increase/(Decrease) in Short Term Borrowings	374.26	1,667.16
Increase/(Decrease) in Long Term Borrowings	(6.93)	(16.73)
Proceeds from share warrants	-	-
Interest Paid	(365.92)	(724.67)
Dividend and Tax thereon	-	-
	<b>1.42</b>	<b>925.77</b>
<b>D. Net increase in cash &amp; cash equivalents (A+B+C)</b>	<b>21.97</b>	<b>(213.82)</b>
Cash & Cash equivalents (Opening Balance)	24.19	238.02
Cash & Cash equivalents (Closing Balance)	<b>46.16</b>	<b>24.20</b>

As per our report of even date attached

**For Nekkanti Srinivasu & Co**

Chartered Accountants

Firm Regn. No.008801S

For and on behalf of the Board

**CA N Srinivasu**

PARTNER

M.No. 209453

**Shakuntala Prakash Bhat**

Non-Executive Independent Director

DIN :

**S Gajendran**

Non-Executive Independent Director

DIN : 00250136

Place : Bengaluru

Date : 30th May, 2016

**N. Sankarayya**

Chief Financial Officer

## NOTE No.1

### Statement On Significant Accounting Policies and Notes to the Accounts

#### I. Significant Accounting Policies

##### 1. a) Basis of Financial Statements:

The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

##### b) Change in accounting policy: Presentation and disclosure of financial statements:

During the year ended 31st March, 2016, the revised Schedule VI notified under the Companies Act, 2013, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

##### c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### 2. a) Fixed Assets

i) Fixed assets are stated at cost Net of CENVAT wherever applicable, less accumulated depreciation, amortisation and impairment losses, if any. Cost comprises the purchase price and other attributable costs to bring the asset to its working condition for its intended use.

ii) Direct overhead expenditure incurred on projects under implementation is treated as unallocated capital expenditure pending allocation to the assets and are included under Capital work-in-progress.

iii) Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

##### b) Depreciation

i) Depreciation on the Fixed Assets of the Company is provided on the basis of the useful lives of the fixed assets on straight line method in accordance with Schedule II of the Companies Act, 2013.

ii) Fixed Assets costing rupees five thousand or less are fully depreciated.

##### 3. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non Current Investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value of each long term investment is made to recognise a decline other than temporary in nature.

##### 4. Inventories

a). Raw materials are valued at cost on FIFO Basis, Stores and Spares are valued at cost on weighted Average Basis.

b). Finished Goods are valued at lower of cost of production or realisable Value and Work in Process is valued at cost of Production. The cost of production includes value of material, stores, direct and indirect expenses.

##### 5. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

##### a). Sale of Goods:

Revenue is recognised when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. Sales are inclusive of excise duty and value added tax/sales tax and is net of sales returns and discounts. Revenue from export sales is recognised on the date of bill of lading.

##### b). Interest :

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

- c). **Export Benefits:**  
Export Entitlements in the form of Duty Drawback and Duty Entitlement Pass Book (DEPB) / Focus Point Schemes on accrual basis.
- d). **Other Sundry incomes**  
Insurance claims are accounted for on realisation.
6. **Foreign Exchange Transactions:**
- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction
- b) Monetary Items denominated in Foreign Currency not covered by Forward Contracts and remaining unsettled at the end of the year are translated at year end rates.
- c) Monetary Items denominated in Foreign Currency covered by Forward Cover are recorded at the Forward Cover contract rate.
7. **Employee Benefits :**
- a) **Defined Contribution Plans**  
Contributions paid/payable to defined contribution plan comprises provident fund and is charged on accrual basis to the Profit and Loss Account Each Year.
- b) **Defined Benefit Plans**  
Gratuity for employees is covered under a scheme of Life Insurance Corporation of India and contributions in respect of such scheme are recognised in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation in accordance with the requirements of revised Accounting Standard (revised 2005) on " Employees Benefits" notified under Section 211 (3C) of the Act ( 'revised AS 15') as at the end of the year.
- c) **Other Long term employee benefits**  
Other Long term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation carried out in accordance with revised AS15 at the end of the year
8. **Borrowing Costs :**  
Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalised. Other Borrowing costs are recognised as an expense in the year in which they are incurred.
9. **Contingent Liabilities :**  
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.
10. **Provision for Current and Deferred Tax :**  
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted by using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.
11. **Earnings Per Share**  
The earnings considered in ascertaining the Company's Earning Per Share (EPS) comprise of the net profit after tax less dividend ( including dividend distribution tax) on preference shares. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year.
12. **Impairment :**
- a). The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- b). Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### II. NOTES TO ACCOUNTS

	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
	Percentage %	Amount ` In Lakhs	Percentage %	Amount ` In Lakhs
1 Value of Raw Material Consumed				
i) Indigenous	-	-	88.68	2,741.30
ii) Imported	-	-	11.32	349.85
	0.00	-	100.00	3,091.15
2 Stores & Spares Consumed				
i) Indigenous	100.00	0.19	100.00	93.29
ii) Imported	-	-	-	-
	100.00	0.19	100.00	93.29
3 Foreign exchange Earnings / Out Go				
a) FOB Value of Exports		-		364.38
b) CIF Value of Imports(material)		-		-
c) Expenditure in Foreign Currency on account of Foreign Travel		-		-
d) Distribution of Dividend on Equity Shares		-		-
e) Investment in shares		-		-
4. CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)			2015-16	2014-15
a) Bank Guarantees			8.07	8.07
b) Claims made by Govt Departments against the company not acknowledged as debts			45.73	45.73
5 Interest is shown net of interest received.				
6 The Details of Related Party transactions in terms of Accounting Standard ( AS 18 ) are as follows				
Related Party Disclosure	Name of the Person	Nature of Transaction	Amt. Rs. Lakhs	
a) Key Management Personal	Ch. Nagaraju	Managerial Remuneration	5.64	
b) Relatives of Individuals having significant influence -NIL				
c) Mynah Industries Limited	Holding company	Sales	NIL	
7 Segment Report				
The Company operates in only one segment of manufacturing / trading of metal alloys.				

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8	Earnings Per Equity Share	2015-16	2014-15
	a) Net Profit after Tax	-1,163.44	336.45
	b) Preference Dividend Accrued for the year (including Income Tax on Pref. Dividend)	0.00	0.00
	c) Net Profit After Tax available for Equity Shareholders ( a-b)	-1,163.44	336.45
	d) Weighted average No. of Equity Shares of Rs. 2/- each (Previous Year Rs.10/-each) outstanding during the year ( No. of Equity shares)	70,426,475	70,426,475
	e) Basic/Diluted Earnings per Equity Share	Rs -1.65	0.48
9	As on 31.03.2016, the timing difference has resulted in deferred tax liability/assets amounting to Rs. 301.46 Lakhs The break up of deferred tax assets/liabilities is as follows; Deferred Tax Liability on account of timing difference in Depreciation : Rs. 29.62 Lakhs Deferred Tax Asset on account of Section 43B of IT Act : Rs. NIL		
10	Balance with Central Excise Department includes unavailed Modvat credit of Rs. 63.14 lakhs of which there is no dispute by the Central Excise Department		
11	Provision for Income Tax is not made, in view of set off available from the Ferro Division of Sri VASAVI Industries Ltd, with whom ongoing amalgamation proceedings are pending before the Hon'ble High Court of A.P.		
12	In the opinion of the management, the Current Assets, Loans and Advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.		
13	Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the company regarding the status of the suppliers as defined under the " Micro, Small and Medium Enterprises Development Act'2006". Amount overdue on account of principal amount together with interest as on 31st March'2016 to Micro, Small and Medium Enterprises is Rs. 187.71 lakhs ( previous year Rs.Nil.)		
14	Previous Year figures have been Re grouped and/or Reclassified where ever necessary to make them comparable with those of Current Year.		
15	The Company has not provided interest on working capital borrowings from October, 2015 to March, 2016 to the extent of Rs.3.83 crore as the Company approached bank with OTS proposal.		

As per our report of even date attached

For Nekkanti Srinivasu & Co

Chartered Accountants

Firm Regn. No.008801S

CA N Srinivasu

PARTNER

M.No. 209453

Place : Bengaluru

Date : 31st May, 2016

For and on behalf of the Board

Shakuntala Prakash Bhat

Whole Time Director (Operations)

DIN : 07053626

S Gajendran

Non-Executive Independent Director

DIN : 00250136

N. Sankarayya

Chief Financial Officer

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2. Share Capital

(in `)

	As at March 31, 2016		As at March 31, 2015	
	No.	Amount	No.	Amount
Authorised				
Equity Shares of Rs.2/- each	191,000,000	382,000,000	191,000,000	382,000,000
Cumulative Redeemable Preference Shares of Rs.11/- each	8,000,000	88,000,000	8,000,000	88,000,000
		470,000,000		470,000,000
Issued, Subscribed and Paid Up				
Equity Shares of Rs.2/- each	70,426,475	140,852,950	70,426,475	140,852,950
Cumulative Redeemable Preference Shares of Rs.11/- each	7,864,700	86,511,700	7,864,700	86,511,700
Entire Preference Shares are held by Pentacle Infrastructure & Towers Pvt Ltd, and are to be redeemed by 14.08.2017				
Total		227,364,650		227,364,650

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the Year are as follows :

Particulars	Equity Shares		Preference Shares	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Shares outstanding at the beginning of the year	70,426,475	70,426,475	7,864,700	7,864,700
Shares Issued during the year	-	-	-	-
Shares redeemed / bought back during the year	-	-	-	-
Shares outstanding at the end of the year	70,426,475	70,426,475	7,864,700	7,864,700

(b) Rights attached to Equity Shares :

The company has only one class of equity shares having a face value of Rs.2/- per share with one vote per each equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% of Equity shares in the company are as follows .

Name of Shareholder	As at March 31, 2016		As March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Cronimet Mercon Invest Limited, Dubai	43,292,205	61.47%	43,292,205	61.47%

(d) Details of Cumulative redeemable Preference Shares

Nature	Amount	Date of Issue	Date of Redemption
8% Cumulative Redeemable Preference Shares of ` 11/- each	86,511,700	14/08/2004	14/08/2017
Total	86,511,700		

### Note 3. Reserves & Surplus

(` in )

	As At 31.03.2016	Additions	Deductions	As At 31.03.2015
Capital Reserves				
Capital Reserve	249,238,721	-	-	249,238,721
General Reserves	-	-	-	-
Share Premium a/c	162,000,000	-	-	162,000,000
Total	411,238,721	-	-	411,238,721

Particulars	As At 31.03.2016	As At 31.03.2015
Profit and Loss Account		
Opening Balance	586,868,872	553,224,162
Add Net Profit after tax transferred from Statement of Profit & Loss	(116,343,743)	33,644,710
	470,525,129	586,868,872
Less : Preference dividend	-	-
Corporate Dividend Tax-Preference	-	-
Equity Dividend	-	-
Corporate Dividend Tax-Equity	-	-
	-	-
Total	470,525,129	586,868,872
Total Reserves & Surplus	881,763,850	998,107,593

Note 4 Long Term Borrowings

Particulars	As At 31.03.2016	As At 31.03.2015
Secured Loan from Financial Institutions	1,375,493	2,068,027
Total	1,375,493	2,068,027

Hire Purchase Loan from HDFC Bank secured against hypothecation of Vehicles and Repayable within 3 Years

Note 5 Short Term Borrowings

Particulars	As At 31.03.2016	As At 31.03.2015
Secured Cash Credit from State Bank of Travancore	493,958,630	456,532,422
Total	493,958,630	456,532,422

Working Capital Loans from Banks are secured by First charge on the entire current assets and first charge on entire fixed assets of the Company and personal guarantee of Sri Prashant Boorugu.

Note 6 Trade Payables

Particulars	As At 31.03.2016	As At 31.03.2015
(a) Due to Micro and Small Enterprises	18,771,724	-
(b) Due to other than Micro and Small Enterprises	176,616,020	124,477,190
Total	195,387,744	124,477,190

Note 7 Other Current Liabilities

Particulars	As At 31.03.2016	As At 31.03.2015
Current maturities of Long Term Debt	1,017,300	1,017,300
Unclaimed Dividend	373,951	373,951
Other Payables	47,503,529	46,571,477
Total	48,894,780	47,962,728

Note 8 Short Term Provisions

Particulars	As At 31.03.2016	As At 31.03.2015
Provision for Employee Benefits	26,163,142	11,041,077
Provision for Income Tax	67,865,343	67,844,464
Provision for Dividend	-	-
Provision for Corporate Dividend Tax	-	-
Total	94,028,485	78,885,541

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 9. Fixed Assets**

Sl. No.	Description	Rate of Dep	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As At 01.04.15	Additions	Deletions	Total as at 31.03.16	As At 01.04.15	For the Period	Deletions for the Period	Upto 31.03.16	As at March' 16	As at March' 15
		%	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	LAND		7,444,642	-	-	7,444,642	-	-	-	-	7,444,642	7,444,642
			7,444,642	-	-	7,444,642	-	-	-	-	7,444,642	7,444,642
2	BUILDINGS (FACTORY)	3.34	95,763,515	-	-	95,763,515	57,565,689	2,771,690	-	60,337,379	35,426,136	38,197,826
	BUILDINGS (NON FACTORY)	1.63	4,610,762	-	-	4,610,762	1,209,069	69,772	-	1,278,841	3,331,921	3,401,693
			100,374,277	-	-	100,374,277	58,774,758	2,841,462	-	61,616,220	38,758,057	41,599,519
3	PLANT AND MACHINERY											
	PLANT AND MACHINERY	5.28	132,992,604		-	132,992,604	113,180,066	1,982,363	-	115,162,429	17,830,175	19,812,538
	ELECTRICAL EQUIPMENT	5.28	61,635,066		-	61,635,066	43,382,551	906,857	-	44,289,408	17,345,658	18,252,515
	MATERIAL HANDLING EQUIPMENT	5.28	125,495,684		-	125,495,684	100,530,095	2,129,942	-	102,660,037	22,835,647	24,965,589
	POLLUTION CONTROL EQUIPMENT	5.28	41,516,162	1,067,450	-	42,583,612	9,614,870	1,420,269	-	11,035,139	31,548,473	31,901,292
	WORKSHOP EQUIPMENT	5.28	682,550		-	682,550	672,723	1,220	-	673,943	8,607	9,827
	LAB EQUIPMENT	5.28	3,336,811		-	3,336,811	1,023,095	106,390	-	1,129,485	2,207,326	2,313,716
	WEIGHING SCALE EQUIPMENT	5.28	1,839,078	-	-	1,839,078	1,376,883	31,060	-	1,407,943	431,135	462,195
	FIRE FIGHT EQUIPMENT	5.28	259,833	-	-	259,833	210,261	3,336	-	213,597	46,236	49,572
	132 KV SUB STATION	5.28	47,011,386	-	-	47,011,386	44,228,757	86,839	-	44,315,596	2,695,790	2,782,629
			414,769,174	1,067,450	-	415,836,624	314,219,301	6,668,276	-	320,887,577	94,949,047	100,549,873
4	FURNITURE AND FIXTURES & OFFICE EQUIPMENTS	6.33	7,999,584		-	7,999,584	6,836,431	630,025	-	7,466,456	533,128	1,163,153
	COMPUTER EQUIPMENT	16.2	4,755,496		-	4,755,496	4,700,362	18,110	-	4,718,472	37,024	55,134
			12,755,080	-	-	12,755,080	11,536,793	648,135	-	12,184,928	570,152	1,218,287
5	VEHICLES	9.50	26,097,987	-	-	26,097,987	10,784,537	2,142,747	-	12,927,284	13,170,703	15,313,450
			26,097,987	-	-	26,097,987	10,784,537	2,142,747	-	12,927,284	13,170,703	15,313,450
	GROSS BLOCK		561,441,160	1,067,450	-	562,508,610	395,315,389	12,300,619	-	407,616,008	154,892,602	166,125,771
6	CAPITAL WORKS-IN-PROGRESS		-	-	-	-	-	-	-	-	-	-
	TOTAL		561,441,160	1,067,450	-	562,508,610	395,315,389	12,300,619	-	407,616,008	154,892,602	166,125,771



Note 10 Non Current Investments

Particulars	As At 31.03.2016	As At 31.03.2015
Non Trade Investments		
Investment in Govt Securities (Unquoted)		
6 Year National Savings Certificates	211,000	211,000
Total	211,000	211,000

Note 11 Long Term Loans & Advances

Particulars	As At 31.03.2016	As At 31.03.2015
Capital Advances	83,388,026	83,388,026
Security Deposits	194,039,400	194,039,400
Total	277,427,426	277,427,426

Note 12 Inventories

(As valued and certified by the management)

Particulars	As At 31.03.2016	As At 31.03.2015
Raw Materials	42,273,776	42,273,776
Work-in-Progress	38,190,000	38,190,000
Finished Goods	596,567,287	639,883,926
Stores & Spares	5,487,206	5,483,976
Total	682,518,270	725,831,679

Note 13 Trade Receivables (Unsecured considered good)

Particulars	As At 31.03.2016	As At 31.03.2015
Debts outstanding for a period exceeding six months	353,462,798	28,120,881
Others	141,837,961	447,022,718
Total	495,300,759	475,143,599

Note 14 Cash and Bank Balances

Particulars	As At 31.03.2016	As At 31.03.2015
i) Cash and Cash equivalents		
a) balance with banks		
in current account	2,831,825	707,106
in Unpaid Dividend account	375,567	375,567
b) cheques , drafts on hand	-	-
c) cash on hand	14,126	874
ii) Other Bank Balances		
Balances with banks to the extent held as margin money	1,395,009	1,336,056
in deposit account		
Total	4,616,527	2,419,603

Note 15 Short Term Loans and Advances

(Unsecured considered good)

Particulars	As At 31.03.2016	As At 31.03.2015
(a) Staff Advances	984,527	462,449
(b) Security deposits	-	-
(c) loans and advances to related parties	-	-
(d) other loans and advances		
- balance with customs & central excise authorities	9,165,234	11,851,569
- advance recoverable in cash or kind or for value to be received	220,111,449	174,718,764
Total	230,261,210	187,032,782

Note 16 Other Current Assets

Particulars	As At 31.03.2016	As At 31.03.2015
Income accrued on deposits etc	2,969,470	3,297,881
IT Refund Due	6,497,013	6,167,072
Export Entitlements	-	700,248
Total	9,466,483	10,165,201

Note 17 Revenue from Operations (Rs)

Particulars		For the year ended 31.03.2016		For the Year ended 31.03.2015
a. Sales of Finished Products	38,838,960		530,153,153	
b. Sale of Traded Goods	423,171,749		2,379,955,277	
c. Sale of Scrap, Slag	58,707		11,981,986	
Total	462,069,416		2,922,090,416	
Less excise duty	4,237,039		44,558,193	
Less CST/VAT	5,425,860			
		452,406,517		2,877,532,223
Add : Export Incentives		-		2,683,638
Total		452,406,517		2,880,215,861

Note 18 Other Income

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Miscellaneous income	66,341	750,810
Scrap Sales	153,991	2,894,003
Total	220,332	3,644,813

Note 19 Cost of Materials Consumed

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Inventory at the beginning of the year	42,273,776	102,869,907
Add : Purchases	-	248,526,083
	42,273,776	351,395,990
Less : Inventory at the end of the Year	42,273,776	42,273,776
Cost of Materials Consumed	-	309,122,213

Details of materials consumed:

Chrome Ore & lumps	-	231,469,229
Coal & coke	-	56,319,604
Others	-	17,654,567
Total	-	305,443,401

Details of Inventory:

Chrome Ore & lumps	37,340,620	37,340,620
Coal & coke	1,573,762	1,573,762
Others	3,359,394	3,359,394
Total	42,273,776	42,273,776

Note 20 PURCHASES OF TRADED GOODS

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Ferro Chrome	20,474,189	479,617,343
Steel	72,582,354	202,609,340
Coal & coke	-	155,241,677
Merchandise	322,355,216	1,473,556,072
<b>Total</b>	<b>415,411,759</b>	<b>2,311,024,432</b>

Note 21 (Increase) / Decrease in inventories

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Opening Stock		
work-in -process	38,190,000	750,000
Stock with consignee	-	3,606,081
Finished Goods	222,900,681	265,202,500
Finished Goods (Trading)	416,983,245	277,602,310
<b>Total</b>	<b>678,073,926</b>	<b>547,160,891</b>
Closing Stock		
work-in -process	38,190,000	38,190,000
Finished Goods	179,584,042	222,900,681
Finished Goods (with consignee )		
Finished Goods Trading	416,983,245	416,983,245
	634,757,287	678,073,926
<b>Total</b>	<b>43,316,639</b>	<b>(130,913,035)</b>

Note 22 Employee Benefit Expenses

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Salaries, Wages and Bonus	27,703,254	44,267,791
Contribution to Provident and Other Funds	3,750,000	2,356,416
Staff Welfare Expenses	104,557	704,392
<b>Total</b>	<b>31,557,811</b>	<b>47,328,599</b>

Note 23 Finance Cost

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Interest on Working Capital	34,285,234	61,845,806
Interest - Others	2,118,813	4,424,151
Bank Charges	188,041	6,196,647
<b>Total</b>	<b>36,592,088</b>	<b>72,466,604</b>

Note 24 Other Expenses

Particulars	For the year ended 31.03.2016	For the Year ended 31.03.2015
Material Handling Expenses	15,608,962	10,088,434
Power and Fuel	4,390,932	126,781,857
Stores and Spares	18,885	9,329,139
Repairs and Maintenance	149,389	5,921,878
Annual Maintenance Charges	0	146,904
Vehicle Maintenance	357,573	430,392
Travelling and Conveyance	145,416	1,610,936
Communication Expenses	231,054	591,839
Other Administrative Expenses	2,416,645	11,984,839
Consultancy and Other Professional Charges	614,833	1,406,824
Printing & Stationary	10,600	173,298
License & Fee	142,030	511,644
Insurance	216,446	1,944,086
Donations	0	44,100
Distribution Expenses	2,357,180	15,740,345
CST/VAT		34,157,793
Auditor's Remuneration		
Statutory Audit	150,000	150,000
Tax Audit	20,000	20,000
<b>Total</b>	<b>26,829,945</b>	<b>221,034,307</b>

**METKORE ALLOYS & INDUSTRIES LIMITED**

Plot No. 18, Sagar Society, Street No. 1, Road No. 2, Banjara Hills, HYDERABAD - 500 034.

**ATTENDANCE SLIP**

Name &amp; Address of the Shareholder

.....

.....

.....

.....

FOLIONO.

DP/ID\*

CLIENTID\*

\*Applicable to investors holding shares in electronic form

I/We hereby record my/our presence at the 10th Annual General Meeting of the Company to be held on Friday, September 30, 2016 at 10.00 AM at the Hotel Sreekrishna Grand, Miyapur X Roads, Hyderabad - 500 049.

Signature of the Member or Proxy

Shares Held

Shareholders/Proxy holders are requested to bring the attendance slip with them duly completed and hand them over at the entrance.

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s) : .....

Registered address : .....

E-mail Id : .....

Folio No/Client Id : .....

DP ID : .....

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

- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him:
- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him:
- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him:

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 10th Annual General Meeting of the Company to be held on Friday, September 30, 2016 at 10.00 AM at the Hotel Sreekrishna Grand, Miyapur X Roads, Hyderabad - 500 049 and at any adjournment thereof in respect of such resolutions as are indicated below.

Sl.No.	Resolutions
<b>Ordinary Business</b>	
1.	Adoption of Accounts for the year ended March 31, 2016 and the reports of the Board of Directors and the Statutory Auditors
2.	Appointment of M/s. Nekkanti Srinivasu & Co as Auditors and fix their remuneration
<b>Special Business</b>	
3.	Ordinary Resolution to appoint of Cost Auditor
4.	Ordinary Resolution to appoint of Smt Shakunthala Prakash Bhat as Director
5.	Special Resolution to consider & adopt Articles of Association as per Companies Act, 2013

Signed this..... day of .....

Affix ` 1/-  
Revenue  
Stamp &  
Sign

Signature of shareholder..... Signature of proxy holder(s).....

**Notes :**

- ☐ This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours the commencement of the Meeting.
- ☐ A person can act as proxy on behalf of Members upto and not exceeding Fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

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Regd. Office : Plot No. 18, Sagar Society  
Street No. 1, Road No. 2, Banjara Hills,  
Hyderabad - 500 034.