INDSIL HYDRO POWER AND MANGANESE LIMITED

Regd. Office :
"Indsil House",
T.V. Samy Road (West), R.S. Puram
Coimbatore - 641 002.
Phone : (+91/0) (422) 4522922, 23
Fax : (+91/0) (422) 4522925
e-mail : indsilho@indsil.com
website : www.indsil.com
CIN : L27101TZ1990PLC002849

September 06, 2022

To
BSE Corporate Relationship Department
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

BSE Scrip Code: 522165

Subject: Notice of the Thirty Second (32nd) Annual General Meeting and the Annual Report for the financial year ended March 31, 2022 with reference to Regulation 30 & 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the soft copy of the Annual Report which comprises of the Directors' Report, Audited Standalone Financial Statements, Audited Consolidated Financial Statements and Auditor's Reports thereon, for the Financial Year ended 31st March, 2022, and the Notice convening the 32nd Annual General Meeting of the Company scheduled to be held on Wednesday, 28th September, 2022 at 11.00 A.m. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

In compliance with the Ministry of Corporate Affairs Circular No. 2/2022 dated 5th May, 2022 and the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, the Annual Report of the Company for the Financial Year 2021-22 and Notice of 32nd Annual General Meeting have been sent through e-mail to all the Members whose e-mail addresses are registered with the Company/ Depository Participants.

A copy of this Notice is also being posted on the website of the Company.
We request you to take the above on record.

Thanking You,
Yours truly
For INDSIL HYDRO POWER AND MANGANESE LIMITED

RAJKUMARI

Digitally signed by RAJKUMARI
DN: c=IN, o=PERSONAL, pseudonym=9978b20d136641c1942b9128e673289f, 2.5.4.20=afc95877b81175d4df6f05759c16902a4408e3fe096419bbb094e65fac8490d9, postalCode=641001, st=TAMIL NADU, serialNumber=2b03c247c62dd71ddf49e275d195fd7e640c03473099dd44d51ffa08662c2ab, cn=RAJKUMARI
Date: 2022.09.06 20:18:55 +05'30'

Rajkumari R
Company Secretary & Compliance Officer

Indsil Hydro Power and Manganese Limited



INDSIL

32ND Annual Report

2021-22

INDSIL

CORPORATE INFORMATION
BOARD OF DIRECTORS

Sri Vinod Narsiman
Managing Director

Sri R Murali
Chief Financial Officer

Sri K Ramakrishnan
Whole-Time Director

Ms Rajkumari R
Company Secretary

Sri S Varadarajan

Smt Gayatri Vijaikumar
(w.e.f 19.08.2022)

Sri S K Viswanathan

Smt Manjusharma
(Till 19.08.2022)

Smt T Kalaivani
(w.e.f 19.08.2022)

Sri V Murali
(Till 19.08.2022)

STATUTORY AUDITORS	**SECRETARIAL AUDITOR**
M/s Raja & Raman Chartered Accountants Coimbatore	MDS & Associates Company Secretaries in Practice Coimbatore

COST AUDITOR	**REGISTRARS & SHARE TRANSFER AGENTS (PHYSICAL & DEMAT)**	**BANKERS**
Sri B Venkateswar Cost Accountant Coimbatore	S.K.D.C Consultants Limited "Surya", 35 Mayflower Avenue Behind Senthil Nagar Sowripalayam Road Coimbatore - 641 028 Phone : 0422 4958995, 2539835/6 Email : info@skdc-consultants.com	State Bank of India Karnataka Bank Limited IDBI Bank Limited Yes Bank Limited RBL Bank Limited The Federal Bank Limited

REGISTERED OFFICE	**WORKS SMELTER UNIT**	**RAJAKKAD HYDRO ELECTRIC POWER PLANT**
"Indsil House" Door No.103-107 T.V.Samy Road (West), R.S.Puram, Coimbatore – 641 002 Phone : 0422 4522936 Email : indsilho@indsil.com CIN : L27101TZ1990PLC002849	VI-679 Pallatheri, Elapully Palakkad 678 007, Kerala Unit II – Merakamudidam Mandalam Garbham – 535 102 Vizianagaram Dist (A.P)	VIII/351 Rajakkad Idukki District 685 566 Kerala

INDSIL

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Notice of the 32nd Annual General Meeting

NOTICE is hereby given that the 32nd Annual General Meeting ("AGM") of the Shareholders of the Company will be held on Wednesday, 28th September 2022 at 11.00 AM (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Annual Financial Statements including Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of changes in Equity for the financial year ended 31st March 2022, the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditor's thereon.

2. To confirm the payment of interim dividend of 4% already paid as the final dividend on the Cumulative Redeemable Preference Shares of ₹ 10/- each for the financial year ended 31st March 2022.

3. To appoint a director in the place of Sri K Ramakrishnan (DIN: 02797842), who retires by rotation and being eligible, offers himself for re-appointment.

4. To re-appoint the Statutory Auditors and to fix their remuneration and in this regard pass the following resolution as an **Ordinary Resolution:**

   RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), M/s. Raja & Raman (Firm Registration No. 003382S), Chartered Accountants, Coimbatore be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a period of one year from the conclusion of the 32nd Annual General Meeting till the conclusion of the 33rd Annual General Meeting of the Company to be held in the year 2023, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

SPECIAL BUSINESS

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

   RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), Sri B Venkateswar, (Membership No.27622), Cost Accountant, Coimbatore who were appointed as Cost Auditor by the Board of Directors of the Company on recommendation of the Audit Committee, to conduct audit of the cost records of the Company for the financial year ending 31st March 2023 on a remuneration of ₹ 20,000/- (Rupees Twenty Thousand only) (exclusive of applicable taxes and re-imbursement of travelling and out of pocket expenses incurred by him for the purpose of audit) be and is hereby ratified and confirmed.

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

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

   RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to

such requisite approvals as may be necessary, and pursuant to the provision of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for the re-appointment of Sri Vinod Narsiman (DIN: 00035746) as the Managing Director of the Company for a further period of 5 years with effect from 6th November 2022 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their respective meetings.

Terms of remuneration:

The remuneration given below shall be for a period of 3 years with effect from 6th November 2022 and the remuneration for the remaining tenure of his office shall be subject to the approval of the members.

i. Salary not exceeding ₹ 3,00,000/- per month as may be decided by the Board of Directors from time to time.

ii. Commission: At the rate not exceeding 2% of the net profits of the Company payable annually as may be decided by the Board of Directors from time to time.

iii. Perquisites:

- In addition to the salary and commission, Sri Vinod Narsiman, Managing Director shall also be entitled to interchangeable perquisites, like furnished accommodation and where accommodation is not provided House Rent Allowance, gas, electricity, water furnishings, medical reimbursement, Leave Travel Allowance for self and family, club fees, medical insurance, Personal Accident Insurance Premium etc., in accordance with the rules of the Company, such perquisites being restricted to the amount equal to the salary drawn per annum. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable
- The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 shall not be included in the computation of perquisites.
- Gratuity payable shall not exceed half month's salary for each completed year of service. Sri Vinod Narsiman, Managing Director is also entitled to encashment of leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisite
- Sri Vinod Narsiman, Managing Director shall be entitled to reimbursement of all actual expenses incurred during the course of Company's business including on entertainment and travelling incurred in the course of Company business.
- The Company shall provide a car with driver and telephone facility at the residence of Sri Vinod Narsiman, Managing Director. Provision of a Company car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to Managing Director.
- During his tenure as Managing Director he shall not be liable to retire by rotation.
- In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration and perquisites mentioned above shall be the minimum remuneration payable to Sri Vinod Narsiman, Managing Director.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorized to alter and vary the terms of re-appointment and/ or remuneration of Sri Vinod Narsiman, Managing Director, as it may deem fit, subject to the same not exceeding the limits as approved by the shareholders.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and / or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended) and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Smt. Gayatri Vijaikumar (DIN: 09659550) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 19th August 2022 and who had also submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment and in respect of whom the Company has received a Notice in writing under section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years with effect from 19th August 2022 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient, to give effect to the above resolution without being required to seek any further consent or approval of the Members and the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended) and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Smt. T. Kalaivani (DIN: 09706304) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 19th August 2022 and who had also submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment and in respect of whom the Company has received a Notice in writing under section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years with effect from 19th August 2022 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient, to give effect to the above resolution without being required to seek any further consent or approval of the Members and the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

   RESOLVED THAT pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to enter into agreement/ contract/ business transactions with Sunmet Holdings India Private Limited, a related party of the Company for an amount not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) per annum as per the details more particularly described in the statement pursuant to Section 102 of the Companies Act, 2013, annexed to this notice notwithstanding the fact that such transactions either taken individually or together with previous transactions during the financial year may exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements or such other materiality threshold as may be specified under applicable laws/ regulations from time to time.

   RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and are hereby severally authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid party, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.

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

    RESOLVED THAT pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to enter into agreement/ contract/ business transactions with Al-Tamman Indsil Ferro Chrome LLC, a related party of the Company for an amount not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) per annum as per the details more particularly described in the statement pursuant to Section 102 of the Companies Act, 2013, annexed to this notice notwithstanding the fact that such transactions either taken individually or together with previous transactions during the financial year may exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements or such other materiality threshold as may be specified under applicable laws/ regulations from time to time.

    RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and are hereby severally authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid party, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.

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

    RESOLVED THAT pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to enter into agreement/ contract/ business transactions with Al-Tamman Indsil Mining Company LLC, a related party of the Company for an amount not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) per annum as per the details more particularly described in the statement pursuant to

Section 102 of the Companies Act, 2013, annexed to this notice notwithstanding the fact that such transactions either taken individually or together with previous transactions during the financial year may exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements or such other materiality threshold as may be specified under applicable laws/ regulations from time to time.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and are hereby severally authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid party, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.

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

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

a. The rate of cumulative preference dividend payable shall be reduced from 10% per annum on the capital for the time being paid-up to 8% per annum on the capital for the time being paid-up from the financial year 2022-23.

b. The date of redemption of the 10% Cumulative Redeemable Preference Shares of ₹ 10/- each be extended from 18th October 2022 by a further period of 3 years i.e., up to 18th October 2025 with the option to redeem the Preference Shares at par at any time at the option of the Company before the due date of redemption.

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

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

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

RESOLVED THAT pursuant to the provisions of Section 181 of the Companies Act 2013 read with the relevant rules made thereunder, the permission of the members be and is hereby accorded to the Board of Directors of the Company to donate/ contribute a sum/sums not exceeding in aggregate upto ₹ 20 lakhs per annum or such sum/ sums as permissible under the said Section, whichever is higher, during any financial years from out of the funds of the Company to bona fide charitable and other funds and for deserving causes and institutions.

RESOLVED FURTHER THAT charitable contributions/donations amounting to ₹ 8.61 lakhs paid during the year 2021-22 be and are hereby approved, confirmed and ratified.

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

By Order of the Board of Directors

Place: Coimbatore
Date: 19.08.2022

RAJKUMARI R
COMPANY SECRETARY

INDSIL

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May 2020, read with circulars dated 8th April 2020, 13th April 2020, 15th June 2020, 28th September 2020, 31st December 2020, 13th January 2021, 14th December 2021 and 5th May 2022 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India vide their circulars dated 12th May 2020, 15th January 2021 and 13th May 2022 (collectively referred to as "SEBI Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM. Members desirous of participating in the meeting through VC/ OAVM, may refer to the procedures mentioned below.

2. The explanatory statement pursuant to Section 102(1) of the Act with respect to the special business as set out in the Notice is annexed hereto. Also, necessary explanatory statement in accordance with Regulation 36(5) of SEBI Listing Regulations as required for Item No. 4 of the Notice is also annexed hereto.

3. **Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

4. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to indsilscrutinizer@mdsassociates.in with a copy marked to the Company at secretarial@indsil.com and to its Registrar and Share Transfer Agent ("RTA") at info@skdc-consultants.com.

5. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and share transfer books of the Company will remain closed from Thursday, 22nd September 2022 to Wednesday, 28th September 2022 (both days inclusive).

6. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC Code, MICR code and place with PIN Code) to their respective Depository Participants and not to the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA. Regular updation of bank particulars is intended to prevent fraudulent encashment of dividend warrants.

7. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates etc., Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity etc., Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are

encouraged to convert their holdings to electronic mode.

8. A. Securities and Exchange Board of India ("SEBI") had earlier mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrar and Share Transfer Agents with effect from 1st April 2019.

   B. Further, SEBI had also mandated the listed entities to issue shares only in dematerialized mode, with effect from 25th January 2022 to Shareholder(s)/ claimant(s) holding shares in physical mode, as against their service requests including for transmission or transposition of shares.

   C. Further, SEBI vide its circular dated 3rd November 2021 has also mandated that the Shareholders holding shares in physical form are required to update their PAN, KYC details, bank details and nomination details with the RTA on or before 1st April 2023, failing which the securities held by such Shareholder will be frozen by the RTA. The securities once frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities. Shareholders holding shares in physical form may also note that once the securities are frozen, the dividend payments will be processed only upon receipt of requisite KYC details and credited to the bank account of the Shareholder electronically.

   D. Further, SEBI vide its circular dated 3rd November 2021 has also mandated that the Shareholders holding shares in physical form are required to compulsorily link their PAN and Aadhaar. Accordingly, the physical folios in which PAN and Aadhaar are not linked have been frozen by the RTA. The securities which have been frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities.

   Necessary prior intimation(s) in this regard was provided to the Shareholders. Therefore, Members holding share(s) in physical form are requested to immediately update their KYC details / dematerialize their shareholding in the Company. A copy of the said circular(s) is available on the Company's website www.indsil.com.

9. Members are requested to notify any change of address and bank details to their Depository Participants in respect of their holdings in electronic form and in respect of shares held in physical form, to the Secretarial Department at the registered office of the Company or to SKDC Consultants Limited, "Surya", 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641 028, the RTA of the Company.

10. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately.

    a) the change in the residential status on return to India for permanent settlement, or

    b) the particulars of the NRE/NRO Account with Yes bank, if not furnished earlier.

11. Pursuant to the provisions of Section 72 of the Companies Act, 2013 members may file nomination forms in respect of their physical shareholdings. Any member willing to avail this facility may submit to the Company's Registrars & Share Transfer Agents in the prescribed statutory form. Should any assistance be desired, members should get in touch with the Company's Registrar and Share Transfer Agents.

12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to the Registrar and Share Transfer Agent for consolidation into a single folio.

13. Members are requested to forward their communication in connection with shares held by them directly to the Registrars and Share Transfer Agents of the Company M/s SKDC Consultants Limited, "Surya", 35 Mayflower

Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641 028.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his/ her queries to the Company seven working days prior to the meeting. The same will be replied by the Company suitably.

16. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / Registrar & Share Transfer Agent of the Company. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid dividend can be viewed on the Company's website www.indsil.com. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Details of shareholders whose shares are liable to be transferred to IEPF are available at the Company website: www.indsil.com. The shareholders whose unclaimed dividend/ share has been transferred to the 'Investor Education and Protection Fund', may claim the same from IEPF authority by filing Form IEPF-5 along with requisite documents. Sri R Murali, Chief Financial Officer is the Nodal Officer of the Company for the purpose of verification of such claims

17. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority: Pursuant to the provisions of Section 124(6) of the Act and Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("the IEPF Rules") and amendments thereto, the Company has transferred the shares in respect of Members who have not claimed / encashed dividend for the last seven consecutive years to the Demat Account of the IEPF Authority of the Members whose shares have been transferred to the Demat Account, Account of the IEPF Authority are available at the Company's website at www.indsil.com.

18. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the year 2021-22 is being sent only through electronic mode to those Members whose email address is registered with the Company / Depositories. Members may note that the Notice and Annual Report for the Financial year 2021-22 will also be available on the Company's website www.indsil.com, websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited at evoting.nsdl.com. Members can attend and participate in the Annual General Meeting through VC / OAVM facility only.

19. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or Registrar

and Share Transfer Agents.

22. Brief resume, details of shareholding and Directors / KMP inter-se relationship with Director(s) seeking election/ re-election/ changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 are provided in this Notice.

23. The shareholders are advised to register / update their e-mail address with the Company / RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.

24. Annual Financial Statements and related details of the Wholly Owned Subsidiary Company is posted on the Company's website and is also kept for inspection at the Registered Office of the Company and at the Subsidiary Company. A copy of the same will be provided to the members on request.

25. Soft copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and the documents referred to in the Notice will be available for inspection by the Members during the AGM.

26. Registration of email ID and bank account details: In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent (RTA)/ Depositories, log in details for e-voting are being sent on the registered email address.

    In case the shareholders have not registered his/ her/their email address with the Company/its RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions are to be followed:

    a. Shareholders holding shares in physical form are requested to register / update the details in the prescribed Form ISR-1 and other relevant forms with the Registrar and Transfer Agents of the Company, SKDC Consultants Limited at info@skdc-consultants.com. Members may download the prescribed forms from the Company's website at www.indsil.com.

    b. In the case of Shares held in demat mode, the shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by National Securities Depository Limited ("NSDL") as an alternative, for all Members' of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting/ e-voting during the AGM. Instructions to Shareholders provided hereinafter for e-voting explains the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner.

I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e., Wednesday, 21st September 2022, may refer to this Notice of the Annual General Meeting, posted on Company's website www.indsil.com for

detailed procedure with regard to remote e-voting. Any person who ceases to be the Member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

III. The remote e-voting period begins on Sunday, 25th September 2022 at 9.00 AM (IST) and ends on Tuesday, 27th September 2022 at 5.00 PM (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, the Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., Wednesday, 21st September 2022, may cast their vote electronically.

IV. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 21st September 2022.

V. Mr. M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

VI. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the AGM by electronic means but have not cast their votes by availing the remote e-voting facility.

VII. The Scrutinizer shall, after the conclusion of voting at the AGM first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

VIII. The results shall be declared within the time stipulated under the applicable laws. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.indsil.com and on the website of NSDL and be communicated to BSE Limited, where the shares of the Company are listed, by the Chairman or a person authorized by him.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with

Depositories and Depository Participant(s). Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/ Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e., NSDL.** Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email ID as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting service provider i.e., **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting, on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and for casting your vote during the General Meeting For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to indsilscrutinizer@mdsassociates.in with a copy marked to evoting@nsdl.co.in. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" o "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. 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 www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms Pallavi Mhatre, Manager at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@indsil.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@indsil.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., Login method for e-Voting and joining virtual meeting, for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@indsil.com on or before 12.00 PM (IST) on Tuesday, 27th September 2022. The same will be replied by the Company suitably.

6. Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number to secretarial@indsil.com on or before 12.00 PM (IST) on Tuesday, 27th September 2022.
7. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions only during the meeting ("AGM").
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 4

The Members of the Company at their 27th Annual General Meeting held on 21st December 2017 had appointed M/s. Raja & Raman (Firm Registration No. 003382S) as the Statutory Auditors of the Company for a period of 5 years till the conclusion of the 32nd Annual General Meeting ("AGM") of the Company. As such, their tenure as Statutory Auditors expires at this AGM.

Pursuant to Section 139 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the present Statutory Auditors of the Company are eligible for re-appointment for a further term of one year from the conclusion of this AGM. Accordingly, based on the recommendation of the Audit Committee, the Board of Directors of the Company have recommended the re-appointment of M/s. Raja & Raman (Firm Registration No. 003382S) as Statutory Auditors of the Company for a further period of one year from the conclusion of the ensuing AGM till the conclusion of 33rd AGM to be held in the year 2023 at a remuneration as may be mutually agreed between the Board of Directors and the Statutory Auditors.

The Company has also received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under Section 139 of the Act and that they are eligible to be re-appointed as the Statutory Auditors of the Company.

The Board of Directors propose to pay a fee of ₹ 5,50,000/- (Rupees Five Lakhs and Fifty Thousand only), exclusive of taxes and other out of pocket expenses incurred in connection with the audit, to the Statutory Auditors for the financial year ended 31st March 2023. The terms of appointment of the Statutory Auditors will be as specified by the Audit Committee and the Board of Directors of the Company in line with the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The recommendation for the re-appointment of M/s. Raja & Raman as the Statutory Auditors of the Company is on account of the following credentials:

M/s. Raja & Raman established in 1989 is a professionally managed firm consisting of distinguished Chartered Accountants in whole time practice with a combination of specialized skills and qualification in areas of Statutory Audit of Public and private Limited companies, Internal, concurrent and stock audit of companies, Information system Audit of Banks, Special cell on VAT dealing which are geared to offer sound financial advice and attestation services. The firm presently carries out attestation function of Manufacturing, Engineering, Textiles, Power, Infrastructure,

Hospitals, Exports, BPOs, IT and Trading companies. They have a valid peer review certificate.

By considering the above, the Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Sri B Venkateswar (Membership No. 27622), Cost Accountant, Coimbatore, as the Cost Auditor of the Company for the financial year 2022-23 on a remuneration of ₹ 20,000/- (exclusive of applicable taxes and reimbursement of travelling and out of pocked expenses incurred) for conducting the audit of the cost accounting records of the Company.

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

Accordingly, consent of the Members is sought for passing an ordinary resolution as set out in Item No. 5 of the notice for ratification of the remuneration of the Cost Auditor for the financial year 2022-23.

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

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

Item No. 6

Sri. Vinod Narsiman (DIN: 00035746) was re-appointed as the Managing Director of the Company for a period of 5 years with effect from 6th November 2017 on the terms and conditions approved by the shareholders. Accordingly, the present tenure of his office expires on 5th November 2022.

The Board of Directors of the Company ("Board") at their meeting held on 11th August 2022 has, subject to the approval of the Members, re-appointed Sri. Vinod Narsiman (DIN: 00035746) as Managing Director, for a further period of 5 (five) years and on such remuneration as set out in the resolution for a period of first 3 (three) years with effect from 6th November 2022.

Sri. Vinod Narsiman has been a Director of the Company since 1997 and has led the Company under his able leadership. Considering the dedication and excellent work done by him and based on the performance evaluation, the Board of Directors have re-appointed him as the Managing Director of the Company for a further period of 5 years on the terms and conditions as set out in the resolution given under Item No. 6 of the Notice. His re-appointment is expected to be greatly beneficial to the future growth plans of the Company.

As per Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee of the Board of Directors of the Company had, in the best interest and progress of the Company, proposed to re-appoint Sri. Vinod Narsiman as Managing Director of the Company for a further period of 5 years with effect from 6th November 2022 and determined his remuneration as set out in the resolution and recommended the same to the Board. The proposed

remuneration is well within the limits prescribed in the Companies Act, 2013 and the Schedules and Rules made there under.

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had also approved the remuneration payable to Sri. Vinod Narsiman as Managing Director of the Company for the period of 3 years with effect from 6th November 2022 and recommended the same to the Board.

Pursuant to the provisions of the Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013, the re-appointment of Managing Director and the payment of his remuneration shall be subject to the approval of the shareholders of the Company in the General Meeting. Hence, the necessary resolution has been set out as Item No. 6 of the Notice for the approval of the Members.

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

Further, the prior approval of the bank shall also be required to be obtained by the Company for payment of remuneration to the Managing Director.

The disclosure as required under Schedule V of the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and brief biodata of Sri. Vinod Narsiman and other disclosures as per Secretarial Standards 2 are furnished and forms a part of this Notice.

Except Sri. Vinod Narsiman, being the proposed appointee, none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set out as Item No. 6 of the Notice.

Item No. 7 & 8

In terms of Section 161 of the Companies Act, 2013 (“the Act”), the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee had appointed Smt. Gayatri Vijaikumar (DIN: 09659550) and Smt. T. Kalaivani (DIN: 09706304), as Additional Directors on the Board of Directors of the Company with effect from 19th August 2022.

Smt. Gayatri Vijaikumar and Smt. T. Kalaivani shall hold office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). The Company has received a Notice in writing from a member under Section 160 of the Act, proposing their candidature for the office of Independent Directors of the Company.

Smt. Gayatri Vijaikumar and Smt. T. Kalaivani are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any order of the Securities and Exchange Board of India (“SEBI”) or any other such authority. They have given their consent to act as Directors along with the declaration to the effect that they meet the criteria of independence as prescribed under the Act and the Listing Regulations and that their name is included in the databank of Independent Directors as required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, Smt. Gayatri Vijaikumar and Smt. T. Kalaivani fulfill the conditions as specified under the Act read with the Rules made thereunder and the Listing Regulations for their appointment as Independent Directors of the Company and are also independent of the Management.

The Nomination and Remuneration Committee and the Board of Directors have reviewed/ evaluated the balance of skills, knowledge and experience on the Board and have identified the role and capabilities required of Independent

Directors and have considered that the appointment of Smt. Gayatri Vijaikumar and Smt. T. Kalaivani with their experience and expertise will be of immense value addition to the Company.

A copy of the draft Appointment Letter to be issued to Smt. Gayatri Vijaikumar and Smt. T. Kalaivani upon their appointment as Independent Directors, containing the terms and conditions of such appointment, would be available to members for inspection at the Registered Office of the Company during the normal business hours on any business day without payment of fee.

The disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are furnished and form a part of this Notice.

Accordingly, the Board recommends the Special Resolution in relation to eligibility and appointment of Smt. Gayatri Vijaikumar and Smt. T. Kalaivani as Independent Directors for a term of five (5) consecutive years, for approval by the Members of the Company.

Except Smt. Gayatri Vijaikumar and Smt. T. Kalaivani, being the appointee directors, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 7 & 8 of the Notice.

Item Nos. 9, 10 & 11

Pursuant to proviso to Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a transaction with a related party shall be considered "material", if the transactions entered into individually or taken together with previous transactions during a Financial Year with such related party exceeds ₹ 1000 Crores or 10% of the total consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

The Company is purchasing and selling chrome ore, other raw materials and finished goods from / to Al Tamman Indsil Ferro Chrome LLC, Al Tamman Indsil Mining Company LLC and Sunmet Holdings India Private Limited on arms' length basis. Further, the Company has also been leasing out the property from / to Sunmet Holdings India Private Limited.

The transactions proposed to be entered by the Company with the related parties is expected to exceed 10% of the annual consolidated turnover of the Company as per the latest audited financial statements and are proposed to be undertaken on an arms' length basis and in the ordinary course of business.

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all related party transactions shall require prior approval of the Audit Committee and all material related party transactions shall require approval of the Members. The Audit Committee have approved the transactions with the above-mentioned related parties at their meeting held on 19th August 2022.

Members may also note that the Company had already obtained the approval of the shareholders at the 30th Annual General Meeting held on 16th December 2020 for the material related party transactions with Al Tamman Indsil Ferro Chrome LLC, Al Tamman Indsil Mining LLC and Sunmet Holdings India Private Limited. However, pursuant to the amendment to Regulation 23 of the Listing Regulations, and SEBI circular No SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30th March 2022 and SEBI circular No SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April 2022, all related party transactions which exceeds 10% of the annual turnover needs to be approved by the shareholders by way of a resolution and such approval shall be valid upto the date of next Annual General Meeting.

Accordingly, the approval of the Members is now being sought for the transactions proposed to be entered into with the above-mentioned related parties as per the details given below.

The details of the transactions with above-mentioned related parties as required pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd Novemb**er** 2021 is given below:

Name of the related party	**Al Tamman Indsil Ferro Chrome LLC**	**Al Tamman Indsil Mining Company LLC**	**Sunmet Holdings India Private Limited**
Type, material terms and particulars of the proposed transaction	Sale and Purchase of Chrome Ore and other raw materials, semi-finished and finished goods	Sale and Purchase of Chrome Ore and other raw materials, semi-finished and finished goods	Sale and Purchase of Chrome Ore and other raw materials, semi-finished and finished goods and leasing of property
Relationship with the listed entity, including nature of its concern or interest (financial or otherwise)	Joint Venture	Subsidiary of Joint Venture	Holding Company
Tenure of the proposed transaction	For a period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting	For a period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting	For a period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting
Value of the proposed transaction	₹ 100 Crores per annum	₹ 100 Crores per annum	₹ 100 Crores per annum
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	47.98% based on audited financials for the year ended 31st March 2022	47.98% based on audited financials for the year ended 31st March 2022	47.98% based on audited financials for the year ended 31st March 2022
Justification as to why the RPT is in the interest of the listed entity	As detailed above	As detailed above	As detailed above

The Company has not relied upon the valuation or any external report in relation to the transaction with the related parties and hence disclosure regarding the same does not arise.

The proposed transaction does not involve any loans, inter-corporate deposits, advances or investments and hence disclosure of details pertaining to the same does not arise.

Any other information that may be relevant – Nil

The Board of Directors recommend the resolution(s) as set out in Item Nos. 9 to 11 of the Notice for the approval of the Members who are not related parties of the Company.

The Members may please note that in terms of the provisions of the Listing Regulations, no related party(ies) as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall vote to approve the resolutions under Item Nos. 9 to 11 of this notice.

None of the Directors, Key Managerial Personnel or their relatives other than Sri.Vinod Narsiman, Managing Director is concerned or interested, financially or otherwise, in the resolutions set out in Item Nos. 9 to 11 of the Notice.

INDSIL

Item No. 12

The Company had issued and allotted 1,50,00,000 (One Crore Fifty Lakhs) 10% Cumulative Redeemable Preference Shares of 10/- each on 29th May 2018 pursuant to the Scheme of Amalgamation of Indsil Energy and Electro Chemicals Private Limited with the Company.

As per the terms of issue and pursuant to the extension of the period of redemption approved by the shareholders of the Company at their Annual General Meeting held on 26th December 2019, the said preference shares are to be redeemed at par not later than 18th October 2022. However, as per the mutual consent of the Company and Preference Shareholders, the Board of Directors of Company at their meeting held on 19th August 2022 approved the extension of the period of redemption of the said preference shares by a further period of 3 years i.e., up to 18th October 2025 with the option to redeem the preference shares at par at any time at the option of the Company before the due date of redemption.

Further, pursuant to the consent obtained from the preference shareholders, the Board of Directors of the company have approved the reduction in the rate of cumulative preference dividend from 10% per annum on the capital for the time being paid-up to 8% per annum on the capital for the time being paid-up from the financial year 2022-23.

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

Accordingly, necessary resolution pursuant to the provisions of Sections 48 & 55 of the Companies Act, 2013 has been proposed in Item No.12 of the Notice for the approval of the Members.

The Board recommends the resolution set out in Item No. 12 of the Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution for appointment as set out in Item No. 12 of this Notice.

Item No. 13

The Company would like to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes. In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company.

It is therefore necessary to obtain the approval of the Members of the Company to authorise the Board of Directors to make donations up to ₹ 20 lakhs per annum or such amount as permissible under Section 181 of the Companies Act 2013, whichever is higher, during any financial years. Necessary resolution is set out in item No.13 of the Notice for the approval of the members.

The Board of Directors has recommended the resolution for approval of the members.

The company made donations / charitable contributions during the financial year 2021-22 aggregating to ₹ 8.61 lakhs. This is in excess of the limits specified in Section 181 of the Companies Act, 2013. Your directors recommend that the same may be ratified/confirmed.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution for appointment as set out in Item No. 13 of this Notice.

INDSIL

STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

Relevant to re-appointment of Sri. Vinod Narsiman as Managing Director and payment of remuneration to him.

I. GENERAL INFORMATION

1. Nature of Industry

Ferro alloy Industry/ Steel Industry

2. Date or expected date of commencement of commercial production

The Company was incorporated on 30th August 1990 and commenced commercial production during the year 1994.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators (₹ in lakhs except EPS)

Particulars	2021-22	2020-21
Sales & other income	20,843.45	6,332.82
Profit/ (Loss) before tax	2,532.19	(4,096.85)
Profit/ (Loss) after tax	3,262.57	(3,744.46)
Paid-up share capital	4,279.11	4,279.11
Reserves and Surplus	10,037.41	6,922.09
Basic Earnings per share	11.74	(13.47)

5. Foreign Investments or collaborations, if any.

The Company has made investments and owns a 50% stake in M/s. Al-Tamman Indsil Ferro Chrome LLC, a Joint Venture Company in the Sultanate of Oman. The Company also has one Wholly Owned Subsidiary called M/s. Indsil Energy Global (FZE) in the Sharjah Airport International Freezone (SAIF), United Arab Emirates

II. INFORMATION ABOUT THE DIRECTORS

S. No.	Particulars	Sri Vinod Narsiman
1	Background details	He is a B.E., (Mechanical), MBA., (University of Michigan) graduate. Sri Vinod Narsiman is in the field since 1997.
2	Past Remuneration	The total remuneration paid for the year 2021-22 is ₹ 55.50 lakhs
3	Recognition or awards	Nil
4	Job Profile and his suitability	Having been associated with the Company for many years and in view of his qualifications and experience, he is well suited to the role of Managing Director of the Company.
5	Remuneration proposed	Details of proposed remuneration have been disclosed in Item No. 6 of the Notice

S. No.	Particulars	Sri Vinod Narsiman
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, profile of Sri Vinod Narsiman, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other Companies.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration being received, the Managing Director does not have any pecuniary relationship with the Company. He is not related to any Directors or Key Managerial Personnel of the Company.

II. OTHER INFORMATION

1. Reasons for loss or inadequate profits

Not applicable as the Company has earned a profit during the year. However, the Company foresees a situation where it may have absence or inadequacy of profits in the ensuing financial years owing to economic and business slowdown.

2. Steps taken or proposed to be taken for improvement.

The Company is making efforts to increase sales of the products, improve productivity and effect cost cutting measures.

3. Expected increase in productivity and profits in measurable terms.

The Company expects to see a growth in turnover ranging from 5% to 10% and proportionate increase in productivity resulting in reasonable profits as a result of these measures.

III. DISCLOSURES

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors

Please refer to Section titled “Remuneration of Directors” as contained in the Corporate Governance Report.

(ii) Details of fixed component and performance linked incentives along with the performance criteria

Please refer to Section titled “Remuneration of Directors” as contained in the Corporate Governance Report.

(iii) Service contracts, notice period, severance fees

Please refer to Section titled “Remuneration of Directors” as contained in the Corporate Governance Report.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

Please refer to Section titled “Remuneration of Directors” as contained in the Corporate Governance Report.

By Order of the Board of Directors

Place: Coimbatore
Date: 19.08.2022

RAJKUMARI R
COMPANY SECRETARY

INDSIL

Additional information on Directors recommended for appointment / re-appointment and payment of remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.

Name	**Sri Vinod Narsiman**	**Sri K Ramakrishnan**
DIN	00035746	02797842
Date of Birth	27.03.1972	21.03.1961
Nationality	Indian	Indian
Date of appointment on the Board	18.01.1997	01.06.2009
Inter-se relationship with other directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company
Qualification	B.E., MBA (University of Michigan)	I.T.I (Industrial Training Institute)
Expertise in area / Experience	Sri Vinod Narsiman is the Managing Director of the Company and Director of Indsil Group of Companies. He is in the field since 1997.	Sri K Ramakrishnan has good experience in the technical aspects of the factory equipment that are being utilized for the manufacture of Company products.
No. of shares held (including shareholding as a beneficial owner)	1,74,322 equity shares of ₹ 10/- each. Further, he does not hold beneficial interest in the equity shares of the Company other than the above.	2,800 equity shares of ₹ 10/- each. Further, he does not hold beneficial interest in the equity shares of the Company other than the above.
Board position held	Managing Director	Whole-time Director
Terms and conditions of appointment / re-appointment	As specified in Item No. 6 of the Notice	As approved by the shareholders of the Company at their 30th Annual General Meeting held on 16th December 2020. He is liable to retire by rotation.
Remuneration paid for the financial year 2021-22	₹ 55.50 lakhs	₹ 5.44 Lakhs
Remuneration proposed to be paid	As specified in Item No. 6 of the Notice	As approved by the shareholders of the Company at their 30th Annual General Meeting held on 16th December 2020. He is liable to retire by rotation.
Number of Board meetings attended during the year	7	7
Directorships held in other companies	1. Sunmet Holdings India Private Limited 2. SNV Holdings Private Limited	Sun Metals and Alloys Private Limited
Names of the listed entities from which the person has resigned in the past 3 years	Nil	Nil
Chairmanship / Membership of the Committees of the Board of other Companies in which he is Director	Nil	Nil

INDSIL

Additional information on Directors recommended for appointment / re-appointment and payment of remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.

Name	**Smt Gayatri Vijaikumar**	**Smt T Kalaivani**
DIN	09659550	09706304
Date of Birth	11.11.1963	15.05.1980
Nationality	Indian	Indian
Date of appointment on the Board	19.08.2022	19.08.2022
Inter-se relationship with other directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company	Not related to any of the Directors or Key Managerial Personnel of the Company
Qualification	SSLC	B. Com
Expertise in area/ Experience	Smt. Gayatri Vijaikumar is having rich experience in the field of gold business and management	Smt T Kalaivani has enormous experience in the field of management and finance.
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The Nomination and Remuneration Committee at its meeting held on 19th August 2022 considering Smt Gayatri Vijaikumar's management expertise, has recommended to the Board her appointment as an Independent Director	The Nomination and Remuneration Committee at its meeting held on 19th August 2022 considering Smt T Kalaivani's financial & management expertise, has recommended to the Board her appointment as an Independent Director
No. of shares held (including shareholding as a beneficial owner)	Nil. Further, she does not hold beneficial interest in the equity shares of the Company.	Nil. Further, she does not hold beneficial interest in the equity shares of the Company.
Board position held	Additional Director (Non-executive Independent)	Additional Director (Non-executive Independent)
Terms and conditions of appointment / re-appointment	As per the Resolution as stated in Item No. 7 of the Notice.	As per the Resolution as stated in Item No. 8 of the Notice.
Remuneration paid for the financial year 2021-22	Nil	Nil
Remuneration proposed to be paid	Sitting Fees only	Sitting Fees only
Number of Board meetings attended during the year	Not Applicable	Not Applicable
Directorships held in other companies	Nil	Nil
Names of the listed entities from which the person has resigned in the past 3 years	Nil	Nil
Chairmanship / Member of the Committees of the Board of other Companies in which he is Director	Nil	Nil

INDSIL

DIRECTORS' REPORT TO SHAREHOLDERS

Dear Shareholders,

The Board of Directors of your Company are pleased to present the 32nd Annual Report on the operations and business of the Company along with the Audited Financial Statements of the Company for the year ended 31st March 2022.

FINANCIAL RESULTS

The Standalone & Consolidated performance for the financial year ended 31st March 2022 is as under: (₹ in lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	22,049.96	6,332.83	22,049.96	6,332.81
Less: Operating Expenses	17,436.50	4,875.49	17,437.16	4,885,20
Less: Finance Cost	1,572.12	1,949.84	1,573.85	1,950.12
Profit/ (Loss) before depreciation and tax	3,041.34	(492.51)	3,038.95	(502.15)
Less: Depreciation	509.15	692.21	509.15	692.21
Profit/ (Loss) before Tax and exceptional items	2,532.19	(1,184.72)	2,529.80	(1,194.72)
Less: Exceptional Items	-	2,912.12	-	2,912.12
Less: Provision for Tax	(730.38)	(352.39)	(730.38)	(352.39)
Net Profit/ (Loss) after Tax	3,262.57	(3,744.45)	3,260.18	(3,754.45)
Share of Profit/ (Loss) of Joint Ventures	-	-	6,297.25	(922.04)

FINANCIAL PERFORMANCE

During the period under review, the Company has achieved on standalone basis, revenue of ₹ 22,049.96 Lakhs as against 6,332.83 lakhs in the previous year. The Company has earned a net profit after tax of ₹ 3,262.57 Lakhs as against a net loss after tax of ₹ 3,744.45 lakhs in the previous year.

During the same period, the Company has on consolidated basis, achieved a revenue of ₹ 22,049.96 Lakhs as against 6,332.83 lakhs in the previous year. The Company, on a consolidated basis, has earned a net profit of ₹ 9,557.43 lakhs as against a net loss of ₹ 4,676.49 lakhs in the previous year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March 2022.

STATE OF AFFAIRS

Operation

During the year under review, the Company has achieved a revenue from operations of ₹ 20,843.45 lakhs as against ₹ 6,102.73 Lakhs in the previous year.

During the year under review, the Company generated 60.31 million units of power as against 47.31 million units during the previous year.

FUTURE PROSPECTS

The outlook and future prospects of the Company are presented in the "Management Discussion and Analysis Report" forming part of this Report.

AL-TAMMAN INDSIL FERROCHROME LLC (ATIFC)

On account of overall buoyancy in the industry, Al-Tamman Indsil Ferrochrome LLC (ATIFC) had a very good financial year where it registered sales of 81.71 million dollars, EBIDTA of 23.71 Million dollars and net profits of 16.94 Million dollars. ATIFC runs and operates two ferrochrome smelters as well as a 25 MW Solar Power Plant (which is a Joint venture with Shell PLC).

INDSIL ENERGY GLOBAL FZE, WHOLLY OWNED SUBSIDIARY

There were no operations in Indsil Energy Global (FZE) during the year under review. As such, there was no revenue generated from the subsidiary.

TRANSFER TO RESERVES

The Company has not transferred any amount to its reserves during the year under review. However, the current year profit of ₹ 3,262.57 Lakhs has been carried forward to the head retained earnings.

DIVIDEND

The Board of Directors has not recommended any dividend on equity shares of the Company for the financial year ended 31st March 2022 keeping in view the requirements of funds for future growth.

For the financial year ended 31st March 2022, the Board of Directors of the Company at their meeting held on 29th December 2021 had declared a first interim dividend of ₹ 0.20 per share (2%) on the Cumulative Redeemable Preference Shares of ₹ 10/- each resulting in a cash outflow of ₹ 30 lakhs. Further, the Board of Directors at their meeting held on 1st April 2022 had declared a second interim dividend of ₹ 0.20 per share (2%) on the Cumulative Redeemable Preference Shares of ₹ 10/- each resulting in a further cash outflow of ₹ 30 lakhs. The Board of Directors have recommended that the interim dividends already declared be considered as final dividend on preference shares for the financial year ended 31st March 2022.

TRANSFER OF UNCLAIMED DIVIDEND / SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124 & 125 of the Companies Act, 2013, unclaimed/unpaid dividend relating to the financial year 2013-14 is due for remittance to the Investor Education and Protection Fund established by the Central Government.

Further, pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 17,163 Equity Shares of ₹ 10/- each on which dividend had remained unclaimed for a period of seven years have been transferred to the credit of the demat account identified by the IEPF Authority during the year under review.

SHARE CAPITAL

The issued, subscribed and paid-up Share Capital of the Company as at 31st March 2022 stood at ₹ 42,79,11,220/- consisting of 2,77,91,122 Equity Shares of ₹ 10/- each and 1,50,00,000 Cumulative Redeemable Preference Shares of ₹ 10/- each. There was no change in the share capital of the Company during the year under review.

ANNUAL RETURN

The Annual Return of the Company for the financial year 2021-22 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at https://www.indsil.com/annual-report/.

BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

During the year under review, 7 (Seven) Meetings of the Board of Directors were held. Further details regarding the meetings of Board of Directors and Committees thereof are provided under the Corporate Governance Report annexed herewith.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems are adequate and operating effectively. The Company has duly complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meeting of the Board of Directors (SS-1) and General Meeting (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Board hereby confirms that-

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departure from those standards.

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit of the Company for that period.

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the Directors had prepared the annual accounts on a going concern basis.

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

All the Independent directors have given declarations to the effect that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with Schedules and Rules issued thereunder and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy for fixing the remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and Employees of the

Company. The Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure 1** and can also be accessed on the Company's website at the link https://www.indsil.com/policies/

COMMENTS ON AUDITOR'S REPORT

In respect of the remarks made by the Statutory Auditors in their report, your directors wish to state as follows:

S.No.	Auditor Qualification or adverse remark	Directors Reply
1	The company has defaulted in repayment of loans or other borrowings or in payment of interest to any lender during the year and it is categorized as a non performing asset (by certain banks) and the company is in the process of restructuring. (Refer note:2.14 of financial statements)	The Company has begun a restructuring exercise and is taking all possible measures to rectify all defaults made in the preceding years in the forthcoming financial year.

Other than the above, there were no other qualifications, reservations, adverse remarks or disclaimers made by M/s. Raja & Raman, Statutory Auditors, in their report.

In respect of the remarks made by the Secretarial Auditors in their report, your directors wish to state as follows

S.No.	Secretarial Auditor Qualification	Directors Reply
1	During the year under review, the Company has contributed to bona fide charitable and other funds in excess of the limits specified under the proviso to Section 181 of the Companies Act, 2013 for which the prior permission of the members of the Company in the general meeting has not been obtained.	The Company had out of benevolence, granted donations to various causes including to the COVID-19 relief efforts although the average net profits of the immediately preceding 3 years was insufficient. The Company proposes to ratify the same at the ensuing Annual General Meeting.

Other than the above, there were no qualifications, reservations or adverse remarks or disclaimers made by Sri. M.D.Selvaraj, FCS of M/s. MDS & Associates, Company Secretaries, Secretarial Auditors in their report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review, the Company has not made any investments or granted any loan or given any security or guarantee pursuant to the provisions of Section 186 of the Companies Act, 2013. However, the details in respect of loans & investments made by the Company in the earlier years are disclosed in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions entered into by the Company with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2021-22 were in the ordinary course of business and on arms' length basis.

The particulars of contract and arrangement entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 which are material in nature are disclosed in **Annexure 2** (Form No. AOC-2) and forms part of this Report.

The policy on Related Party Transactions as approved by the Board of Directors of the Company has been uploaded on the Company's website and may be accessed through the link at https://www.indsil.com/policies/

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year as on 31st March 2022 and the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 3** and is attached to this Report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The risk management and minimization procedure adopted and followed by the Company is adequate in relation to the nature and size of the business. The same is reviewed periodically for improvement.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors to undertake and administer Corporate Social Responsibility activities of the Company. The CSR Committee consists of

1) Sri S Varadarajan – Chairman of the Committee
2) Sri Vinod Narsiman – Member of the Committee
3) Sri S K Viswanathan – Member of the Committee

The Company's CSR objective is promoting education, including special education and employment enhancing vocational skills to children, medical aid, health care, sanitation, drinking water, rural development, employment opportunities, old age homes, protection of natural resources, public libraries, human rights and such other initiatives prescribed under Schedule VII of the Companies Act, 2013. The Company has developed Corporate Social Responsibility Policy in line with the activities mentioned in Schedule VII of the Companies Act, 2013 and the same is posted on the Company's website at the link https://www.indsil.com/policies/

However, the Company did not meet the criteria as set out in Section 135(1) of the Companies Act, 2013 for the preceding three financial years and accordingly, the Company was not required to spend any amount on CSR initiatives for the financial year 2021-22. Hence, the requirement of furnishing a report on CSR initiatives of the Company does not arise.

Further, the Board of Directors of the Company at their meeting held on 19th August 2022 has also dissolved the Corporate Social Responsibility Committee and the functions of the Committee have been taken over by the Board of Directors.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS AND COMMITTEES

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated the criteria for evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors and the Managing Director of the Board. Based on that, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors have evaluated the Independent Directors appointed during the year 2021-22 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Sri K Ramakrishnan (DIN: 02797842), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, appointed Smt. Gayatri Vijaikumar (DIN: 09659550) and Smt. T Kalaivani (DIN: 09706304) as Additional Directors of the Company with effect from 19th August 2022 to hold office upto the date of this Annual General Meeting. Accordingly, necessary resolution proposing their appointment as Independent Directors of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the Members.

Further, the Company has also received notice(s) under Section 160(1) of the Companies Act, 2013 from a member signifying their intention to propose the candidature of Smt. Gayatri Vijaikumar and Smt. T Kalaivani for the office of Independent Directors of the Company. The Company has also received declaration from the appointee directors that they fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company have re-appointed Sri Vinod Narsiman as Managing Director of the Company for a period of 5 years with effect from 6th November 2022 on the terms and conditions as set out in the Notice convening the Annual General Meeting. Necessary resolution in this regard has been included in the Agenda of the Notice for the approval of the members.

The Board recommends their appointment/ re-appointment.

Pursuant to the approval granted by the Board of Directors & the members of the Company Sri K Ramakrishnan (DIN: 02797842) was re-appointed as a Whole-time Director of the Company for a period of 3 years with effect from 1st June 2021.

During the year under review, the members of the Company at their Annual General Meeting (AGM) held on 24th September 2021 had re-appointed Sri. S. K. Viswanathan and Smt. Manju Sharma as Independent Directors of the Company to hold office for a period of 3 consecutive years with effect from 8th September 2021. Further, the members of the Company at the said AGM had also appointed Sri V Murali as an Independent Director of the Company for a period of 2 years with effect from 28th December 2020.

However, Smt. Manju Sharma (DIN: 08855406) and Sri V Murali (DIN: 08999898) resigned from the Board of Directors of the Company with effect from 19th August 2022 due to their personal commitments. The Board wishes to place on record their sincere appreciation for the valuable contributions made by them during their tenure as Independent Directors.

Smt. P Krishnaveni, Company Secretary and Compliance Officer of the Company resigned from the Company with effect from 8th September 2021. Ms. Rajkumari R was appointed as Company Secretary and Compliance Officer of the Company with effect from 13th December 2022.

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are Sri Vinod Narsiman, Managing Director, Ms Rajkumari R, Company Secretary and Sri R Murali, Chief Financial Officer.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has one wholly owned subsidiary viz. M/s. Indsil Energy Global (FZE), Sharjah Airport International Freezone (SAIF) and one joint venture company viz. Al-Tamman Indsil Ferro Chrome LLC.

During the year under review, M/s. Indsil Hydro Global (FZE), a wholly owned subsidiary of the Company in SAIF zone was permanently closed down as there was no business operations. The closure of the subsidiary does not have any effect in the company's operations.

The highlights of performance of subsidiaries and joint ventures and their contribution to the overall performance of the company during the period review have been disclosed earlier in this report.

Al-Tamman Indsil Ferro Chrome LLC has been considered as a Joint Venture for the purpose of consolidation in the Financial Statements.

The Board has approved a policy for determining material subsidiaries which has been uploaded on the Company's website and can be accessed at the link http://www.indsil.com/policies.

A report containing the salient features of the Subsidiaries and Joint Venture as required under Section 129(3) of the Companies Act, 2013 in Form AOC-1 is attached herewith as **Annexure 4** to this report.

The consolidated financial statements of the Company and its subsidiaries prepared in accordance with the applicable accounting standards have been annexed to the Annual Report. The Annual Accounts of the Subsidiary Companies are posted on the website of the Company viz., www.indsil.com and will also be kept open for inspection by the shareholders at the Registered Office of the Company. The Company shall also provide copy of the Annual Accounts of Subsidiary Companies to the shareholders upon their request.

DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and hence, there are no deposits remaining unclaimed or unpaid as on 31st March 2022. Accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has put in place proper systems and procedures to detect and protect the Organizational resources both tangible and intangible. The Company has also put in place the following to ensure the adequacy of internal financial controls:

- the Company maintains all its records in ERP System and the workflow and approvals are routed through ERP.
- the Company has appointed Internal Auditors to check the Internal Controls and also check whether the workflow of the Organization is in accordance with the approved policies of Financial Statements, Internal Auditors will present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations; and

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

MAINTENANCE OF COST RECORDS AS MANDATED BY THE CENTRAL GOVERNMENT

Pursuant to the provisions of Section 148(1) of the Companies act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records. Accordingly, the Company has duly made and maintained the cost records as mandated by the Central Government.

AUDITORS

STATUTORY AUDITORS

M/s Raja & Raman (Firm Registration No. 003382S), Chartered Accountants, Coimbatore were appointed as Statutory Auditors of the Company for a period of 5 (five) years at the 27th Annual General Meeting held on 21st December 2017, and they hold office till the conclusion of this 32nd Annual General Meeting of the Company. The Audit Committee and the Board of Directors have recommended the re-appointment of M/s. Raja & Raman as the Statutory Auditors of the Company for a further period of one year i.e., from the conclusion of the 32nd Annual General Meeting till the conclusion of the 33rd Annual General Meeting.

The necessary resolution seeking approval of the Members for their re-appointment has been incorporated in the Notice to the AGM of the Company along with brief details about them.

The Company has received a certificate from M/s Raja & Raman, Chartered Accountants confirming that they are not disqualified from being re-appointed as Statutory Auditors of the Company.

COST AUDITOR

Pursuant to the provision of Section 148 of the Companies Act, 2013 and as per the recommendation of the Audit Committee, the Board of Directors, have appointed Sri B Venkateswar (Membership No. 27622), Cost Accountant, Coimbatore as Cost Auditor of the Company for the financial year 2022-23. The remuneration payable to the Cost Auditor is subject to the ratification of the Members in General Meeting. The Board recommends their remuneration for members ratification.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sri M.D.Selvaraj, FCS, M/s MDS & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2021-22. The report of the Secretarial Auditor is annexed herewith as **Annexure 5** to this report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions during the year under review.

PARTICULARS OF EMPLOYEES

The disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure 6**.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme 2018 (Indsil ESOS 2018). The Nomination and Remuneration Committee administers and monitors the Employees' Stock Option Scheme of the Company. The disclosure pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 is given in **Annexure 7** to this report.

The Company has received a Certificate from the Secretarial Auditors of the Company that the above referred Scheme had been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and the resolutions passed by the members in this regard.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing women employees in various cadres within the Office/factory premises. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint received from any employee during the financial year 2021-22 and hence no complaint is outstanding as on 31.03.2022 for redressal.

INDSIL

MANAGEMENT DISCUSSION AND ANALYSIS

The report on Management Discussion and Analysis is annexed herewith as **Annexure 8** to this report.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly refer to the Section on Corporate Governance, under the head 'Audit Committee' for matters relating to the composition, meetings and functions of the Committee. The Board has accepted all the recommendations of Audit Committee during the year whenever required and hence no disclosure as required under Section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by Board is necessary.

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has constituted a Vigil Mechanism as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted a formal mechanism to the Directors and employees to report about unethical behaviour, suspected fraud or violation of Code of Conduct and ethics. The Policy aims at conducting the affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The policy can be accessed on the Company's website at the link www.indsil.com/policies/.

CEO/CFO CERTIFICATION

As required under SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015, the Managing Director and the Chief Financial Officer have furnished necessary Certificate to the Board on the financial statements presented.

ACKNOWLEDGEMENTS

Your Directors are extremely thankful to State Bank of India, IDBI Bank Limited, Yes Bank Limited, RBL Bank Limited, Karnataka Bank Limited and The Federal Bank Limited for their continued support.

Your Directors acknowledge and express their grateful appreciation for the co-operation and support received from Government Authorities, Kerala State Industrial Development Corporation, employees, customers and suppliers. They also thank the Shareholders for the confidence reposed by them in the management of the Company and for their continued support and co-operation.

For and on behalf of the Board

Place: Coimbatore
Date: 19.08.2022

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

INDSIL

ANNEXURE - 1

NOMINATION & REMUNERATION POLICY

Indsil Hydro Power and Manganese Limited (the Company) believes that Human Resource asset is one of the vital factors and plays an important role in achieving the success and sustainability of an organization. The Company believes that committed work force is an invaluable asset for the organization. Keeping these facts in view, the Nomination & Remuneration Policy was adopted by the Board of Directors. The Nomination & Remuneration Policy is mainly to attract competent talents and motivate them. It also maintains in retaining such talents in the competitive market. This inter-alia is a tool to achieve the Company's objectives for good Corporate Governance and sustained long term value creation for stakeholders.

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

DEFINITIONS

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

i) the Chief Executive Officer or the Managing Director or the Manager;

ii) the Company Secretary;

iii) the Whole-time Director;

iv) the Chief Financial Officer, and

v) such other officer as may be prescribed.

"Senior Managerial Personnel" or **"Senior Management"** means the officers / personnel of the Company who are members of its core management team excluding Board of Directors and comprises of all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager including Chief Executive Officer / Manager, in case they are not part of the Board, and includes Company Secretary, Chief Financial Officer and all functional heads.

All other words and expressions used but not defined in this policy, but defined in the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

OBJECTIVE:

a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) to evaluate the performance of the members of the Board and Provide necessary report to the Board for further evaluation of the Board.

c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

APPOINTMENT CRITERIA

The Committee identifies persons with rich experience and recommends to the Board for appointment of Directors, Key Managerial Personnel or Senior Management level. The Committee analyses the appointee with regard to his/her skills, knowledge, experience in the required fields like finance, accounts, audit, law, management, sales, marketing, administration, research, corporate governance, technical operation and other disciplines related to the Company's business. The Committee has the discretion to decide on the age for the concerned positions depending upon the circumstances of each case.

ROLE OF COMMITTEE

The role of the Committee inter-alia is the following:

a. To formulate the criteria for determining qualifications, positive attributes and independence of a director.

b. To formulate and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other senior management personnel.

c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee

d. To recommend to the Board the appointment and removal of Directors and Senior Management.

e. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

f. To formulate the criteria for evaluation of performance of independent directors and the Board of Directors

g. To specify the manner for effective evaluation of performance of the Board of Directors, its committees and individual Directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and to review its implementation and compliance.

h. In every appointment of Independent Director, to evaluate the balance of skills, knowledge and experience on the Board, possessed by the person intended to be appointed as an Independent Director and on the basis of such evaluation, to prepare a description of the role and capabilities required of an independent director.

i. To ensure that the person recommended to the Board for appointment as an Independent Director have all the capabilities identified by the Committee in the description of the role and capabilities required of an independent director.

j. For the purpose of identifying suitable candidates, the Committee may:

   i. use the services of an external agencies, if required;

   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. consider the time commitments of the candidates

k. To recommend, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

l. To devise a policy on diversity of board of directors

m. Succession planning for replacing Key Executives and overseeing.

n. To operate and administer the employee stock option scheme as approved by the Board of Directors and shareholders in accordance with the regulations laid down.

o. To carry out any other function as may be mandated by the Board from time to time and / or enforced by any statutory notification, amendment, modification or re-enactment thereof for the time being in force, as may be applicable.

p. To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his/her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution.

TERM / TENURE

a) Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director

An Independent Director shall hold Office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold Office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed Companies as an Independent Director and three listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Director

a) The Remuneration Commission etc., to be paid to Managing Director / Whole-time Director etc., shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Shareholders of the Company, whenever necessary.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Director.

2) Remuneration to Non-Executive / Independent Directors

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of Clause (b) above if the following conditions are satisfied:

(i) The services are rendered by such Director in his capacity as the Professional and

(ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

e) The Committee shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Committee shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

c) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund etc., as decided from time to time.

d) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may delegate any of its powers to one or more of its members.

INDSIL

Form No. AOC-2 **ANNEXURE - 2**

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not on arm's length basis – Not applicable

2. Details of material contracts or arrangements or transactions at arm's length:

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangement or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advances, if any ₹
Al-Tamman Indsil Mining LLC	Subsidiary of Al-Tamman Indsil Ferro Chrome LLC	Sale/ Purchase of raw materials, semi-finished and finished goods	1st April 2021 to 31st March 2026	Sale/ Purchase of raw materials, semi-finished and finished goods upto a maximum of ₹ 100 Crores	11.11.2020	Nil
Sunmet Holdings India Private Limited	Holding Company	Sale and Purchase of Chrome Ore and other raw materials and finished goods	1st April 2021 to 31st March 2026	Sale and Purchase of Chrome Ore and other raw materials and finished goods upto a maximum of ₹ 100 Crores per annum	11.11.2020	Nil
Al-Tamman Indsil Ferro Chrome LLC	Joint Venture	Sale and Purchase of raw materials and finished goods	1st April 2021 to 31st March 2026	Sale and Purchase of raw materials and finished goods upto a maximum of ₹ 100 Crores per annum	11.11.2020	Nil

For and on behalf of the Board

Place: Coimbatore
Date: 19.08.2022

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

INDSIL

ANNEXURE - 3

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

i.	Steps taken for Conservation of Energy:	At the time of installation of the equipment, sufficient devices have already been incorporated to conserve energy. These devices and furnace operation practices based on indigenous technology have resulted in maintaining the industry standards of consumption.
ii.	Steps taken by the Company for utilising alternate sources of energy:	Not Applicable
iii.	Capital investment on energy conservation equipments:	Nil

B. TECHNOLOGY ABSORPTION

i.	Efforts made towards technology absorption	The Company through R & D in process control has consistently improved the performance through innovative practices developed and perfected in-house.
ii.	Benefits derived like product improvement, cost reduction, product development or import substitution	The metallurgical balance and recovery rates achieved through in-house R & D had made this Company outstanding in performance when compared with other industries in this class.
iii.	Information regarding imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	Nil
iv.	Expenditure incurred on Research & Development:	R & D is done on a continuous basis and products with critical specification and better grades have been achieved. This being a continuous process industry, development of newer and better products is achieved as a part of regular manufacturing process and therefore no separate cost allocation can be done for R & D. The Company has developed indigenous system for raw material feeding and for furnace stoking which, in turn enhances the versatility of the batching system.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in lakhs

Particulars	**2021-22**	**2020-21**
Earnings	321.26	1,015.97
Expenditure	NIL	0.11

For and on behalf of the Board

Place: Coimbatore
Date: 19.08.2022

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

INDSIL

Form AOC-1 **ANNEXURE - 4**

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

S. No.	Particulars	Details
1.	Name of the Subsidiary	Indsil Energy Global (FZE)
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	May 2021 to April 2022
3.	Reporting Currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	United Arab Emirates Dirham (AED). 1 AED is equal to 20.684 INR
4.	Share Capital	₹ 25.73 lakhs
5.	Reserves & Surplus	₹ 58.56 lakhs
6.	Total assets	₹ 174.27 lakhs
7.	Total Liabilities	₹ 89.98 lakhs
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit/(Loss) before taxation	Nil
11.	Provision for taxation	Nil
12.	Profit/(Loss) after taxation	Nil
13.	Proposed dividend	Nil
14.	Percentage of shareholding	100%

1. Names of subsidiaries which are yet to commence operations – NIL
2. Names of subsidiaries which have been liquidated or sold during the year – Indsil Hydro Global (FZE)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/ Joint Ventures	Al Tamman Indsil Ferro Chrome LLC
1. Latest audited Balance Sheet Date	January 2021 to December 2021
2. Shares of Associate/ Joint Venture held by the company on the year end	
No. of shares	23,81,372
Amount of Investment in Associates/ Joint Venture	₹ 3,923.72 lakhs
Extent of Holding %	50%
3. Description of how there is significant influence	By virtue of holding being 20% or more
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 4,329.81 lakhs
6. Profit/(Loss) for the year	
i. Considered in Consolidation	₹ 6,297.25 lakhs
ii. Not Considered in Consolidation	₹ 6,297.25 lakhs

1. Names of associates or joint ventures which are yet to commence operations – NIL.
2. Names of associates or joint ventures which have been liquidated or sold during the year – NIL.

For and on behalf of the Board

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

Place: Coimbatore
Date: 19.08.2022

INDSIL

ANNEXURE - 5

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,
INDSIL HYDRO POWER AND MANGANESE LIMITED
(CIN: L27101TZ1990PLC002849)
Indsil House, Door No.: 103-107,
T.V. Samy Road (West), R S Puram,
Coimbatore – 641002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. INDSIL HYDRO POWER AND MANGANESE 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.

Based on my verification of **M/s. INDSIL HYDRO POWER AND MANGANESE LIMITED'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 **31st March 2022**, 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 31st March 2022 according to the provisions of:

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder

iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment.

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

   a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   d. 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

e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and

f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

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

a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI)

b. The Listing Agreement entered into by the Company with BSE Limited

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations and Standards etc., mentioned above except to the extent given below.

i. During the year under review, the Company has contributed to bona fide charitable and other funds in excess of the limits specified under the proviso to Section 181 of the Companies Act, 2013 for which the prior permission of the members of the Company in the general meeting has not been obtained.

I further report that, during the year under review, there were no actions/ events in pursuance of the following Rules/ Regulations requiring compliance thereof by the Company:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and

e. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021

I further report that based on the information provided by the Company, its officers and authorized representatives, there are no laws specifically applicable to the Company.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that, the compliance by the Company of the applicable accounting standards in the preparation of the financial statements has not been reviewed in this Audit since the same have been subject to review by statutory financial auditors.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. 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.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 all applicable laws, rules, regulations and guidelines.

I further report that during the period under review, there were no instances of

- Public / Rights / Preferential issue of shares / debentures / sweat equity.
- Redemption / buy-back of securities.
- Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013.
- Merger/ amalgamation/ reconstruction etc.
- Foreign technical collaborations

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN: F000960D000813398
Peer Review No. 985/2020

Place : Coimbatore
Date : 19.08.2022

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

INDSIL

'Annexure A'

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To
The Members,
INDSIL HYDRO POWER AND MANGANESE LIMITED
(CIN: L27101TZ1990PLC002849)
Indsil House, Door No.: 103-107,
T.V. Samy Road (West), R S Puram,
Coimbatore – 641002

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards are the responsibility of the management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411
UDIN: F000960D000813398
Peer Review No. 985/2020

Place : Coimbatore
Date : 19.08.2022

INDSIL

ANNEXURE – 6

A. Disclosure under Section 197 (12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended 31st March 2022 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year ended 31st March 2022.

S. No.	Director	Category	Remuneration ₹ in Lakhs	Ratio to median remuneration	% increase
1	Sri Vinod Narsiman*	Managing Director	55.17	21.55:1	NA
2	Sri. K. Ramakrishnan	Whole-time Director	5.21	2.04:1	9.45
3	Sri. S. K. Viswanathan	Director	-	-	-
4	Smt. Manjusharma	Director	-	-	-
5	Sri S Varadarajan	Director	-	-	-
6	Sri V Murali	Director	-	-	-
7	Sri R Murali	Chief Financial Officer	12.12	-	24.05
8	Smt P Krishnaveni#	Company Secretary	2.19	-	NA
9	Ms Rajkumari R$	Company Secretary	1.61	-	NA

Note: Sitting fees paid to the Directors have not been considered as remuneration for this purpose.

NA – Not Applicable

* The Managing Director did not draw any remuneration in the financial year 2020-21 on account of the business disruption due to the COVID-19 pandemic and accordingly the disclosure of the percentage change does not arise.

\# Smt. P. Krishnaveni resigned as Company Secretary with effect from 8th September 2021 and accordingly the disclosure of the percentage change does not arise.

$ Ms. Rajkumari R was appointed as the Company Secretary with effect from 13th December 2021 and accordingly the disclosure of the percentage change does not arise.

2. Percentage increase in the median remuneration of employees in the financial year: 10%

3. Number of permanent employees on the rolls of Company as on 31st March 2022: 217

4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 13%

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

   Your directors affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

B. Details of Top 10 Employees in terms of gross remuneration paid during the year ended 31st March 2022.

PART A – Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No	Name of Employee	Designation	Remuneration (₹ In lakhs)	Qualification	Experience (in years)	Date of commencement of Employment	Age	Last Employment
1	Vinod Narsiman	Managing Director	55.50	B.E., MBA	25	18.01.1997	50	NA
2	Vakada Gopi	Unit Head	14.41	BA	24	01.02.2012	56	GM at Jayalakshmi Ferro Alloys
3	R Murali	Chief Financial Officer	12.12	M.Com., BL., MBA (Marketing)	39	04.01.2013	60	Dangote, Nigerial Alloys Ltd
4	Praveen T V	Chief Manager (Production& Process)	11.23	Dip (Electronics & Communication)	26	25.07.2012	49	NA
5	Sinha S K	Unit Head	10.33	Bachelor of Chemical Engineering	36	22.11.2004	60	The Waxpol Industries Ltd, Pepocarbon & Chemicals Co. Birla Cements
6	Kamala Kanta Sethi	AGM – Raw Materials	9.81	BE Mech., Exe MBA	29	16.03.2017	53	HNM Group, Oman
7	Muthiah R	AGM - Accounts	9.15	MBA Finance	27	04.08.2013	49	Precot Ltd
8	Joseph Amirdaraj G	General Manager (P&P)	8.76	B. Tech (Mech)	41	04.02.2008	59	Auto Print Machinery Manufacturers Pvt Ltd
9	Rajkumar D	AGM - Finance	8.68	B.Com.,MBA Finance	29	15.07.2013	52	Precot Ltd
10	Rajan Jose K	GM - Works	8.08	B.Sc., (Engineering)	52	10.12.2003	76	Elgi Rubber Company Ltd

Note:

1. Nature of employment of Sri. Vinod Narsiman is contractual. All other executives are on the permanent rolls of the Company.
2. No other employees mentioned above are related to any of the Directors of the Company.
3. Remuneration includes salary, allowances, commission, contribution to Provident Fund, Gratuity Fund and other taxable perquisites paid during the year.
4. Except Sri Vinod Narsiman, Managing Director, none of the other employees specified above hold more than 2% of the paid-up equity share capital of the Company.
5. None of the employees as specified above are related to any director of the Company.

For and on behalf of the Board

Place: Coimbatore
Date: 19.08.2022

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

INDSIL

ANNEXURE – 7

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

1. **Disclosure in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI:**

   Disclosed in the notes to the financial statements which forms part of this Annual Report.

2. **Material Changes in the Scheme:**

   No material change has been carried out during the financial year under review.

3. **Diluted EPS on issue of shares pursuant to ESOS:**

   Not applicable as the Company does not have any outstanding stock options during the year under review.

4. **Details related to Employee Stock Option Scheme (ESOS)**

   i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including –

S. No.	Particulars	Details
a	Date of Shareholders' approval	27.09.2018
b	Total number of options approved under ESOS	10,00,000
c	Vesting requirements	Options granted under Indsil ESOS 2018 would vest not less than one year from the date of grant of such options. Vesting of options would be a function of continued employment with the Company and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated on grant of options. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the letter of grant given to the option grantee at the time of grant of options.
d	Exercise price or pricing formula	The exercise price shall be as decided by the Nomination and Remuneration Committee subject to a minimum of the face value per share per option
e	Maximum term of options granted	The options shall vest not less than one year from the date of grant and not more than 4 years as specified in the Letter of grant given to the option grantees
f	Source of shares	Primary
g	Variation in terms of options	No variation

   ii. Method used to account for ESOS: Fair Value Method

   iii. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have

been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.

Not applicable as the Company has adopted fair value method of accounting for options issued under ESOS.

iv. Option movement during the year

Particulars	Details
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Nil
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	Nil

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock: Not applicable as the Company has not issued any options during the year under review.

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-

a. Senior Managerial Personnel – The Company has not granted any options to the employees during the year under review.

b. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – The Company has not granted any options to the employees during the year under review

c. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – The Company has not granted any options to the employees during the year under review.

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: Not applicable as the Company has not issued any options during the year under review

5. Details related to Trust

The Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme, 2018 is directly administered by the Company and hence the disclosure of the details of the Trust is not applicable.

For and on behalf of the Board

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

K RAMAKRISHNAN
WHOLE-TIME DIRECTOR
DIN: 02797842

Place: Coimbatore
Date: 19.08.2022

INDSIL

ANNEXURE – 8

MANAGEMENT DISCUSSION AND ANALYSIS

[Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is a part of the ferro alloy industry. Ferro alloys refer to a range of compounds that find application in producing steel and stainless steel. Manganese, chrome and silicon alloys form a majority of the bulk of ferro alloys produced. While chromium alloys are used in the production of stainless steel, manganese alloys are used in the production of steel and some specialized grades of manganese alloys are used in specific grades of stainless-steel making.

Your Company on a standalone basis produces specialized varieties of Manganese Alloys, regular Manganese Alloys and Ferro Chrome.

B. OPPORTUNITIES AND THREATS

Opportunities : The year 21-22 saw a significant rebound in the steel industry as well as in the industries for Alloys like silicon, chrome and manganese. Given the extremely good financial performance, the Company managed to wind down almost all of its statutory liabilities which were carrying heavy interest burden. The Company also managed to reduce a significant part of its debt by sale of its Chattisgarh Ferro Alloy division. Consequently, the Company's interest costs have come down significantly as compared to the previous years. This is expected to result in strong bottom line performance in the future.

Threats : Since the Company's accounts with a few of its lenders became NPA during the significant crisis experienced during FY 20-21, the Company is working on a restructuring package with such lenders to get back to standard status. The restructuring package envisages interest rate resets both retrospectively and prospectively. Any failure in a successful restructuring exercise would expose the Company to uncertain interest costs or even other extreme uncertainties. Separately, the industry, after the imposition of export duty on steel during the month of May 2022, has seen significant erosion in terms of profitability and demand. Since there is uncertainty on when the export duty will be revoked, your Company as well as the overall industry sees uncertainty ahead in terms of profitability.

C. SEGMENT WISE PERFORMANCE – SMELTER DIVISION

The table given below gives the operational details of the two segments of your Company viz., ferro alloy segment and power segment.

Particulars	Ferro Alloy	Hydro Power
Production (MT) / (Units)	19990	60.31 Million Units
Sales (MT) / (Units)	20130	50.78 Million Units
Revenue in ₹ Lakhs	22050	2336
PBDIT in ₹ Lakhs	2143	2471

Your Company earned EBITDA of ₹ 46.13 Crores on a Consolidated basis.

POWER DIVISION

As far as the Hydro Power Station is concerned, the power generation was 60.31 Million Units and as compared to the previous year 47.31 Million Units and as compared to average generation of 37.09 Million Units per year.

D. OUTLOOK

The outlook for both the manganese and chrome industry looks uncertain for the rest of the FY 2022-23 on account of two factors :

- The Domestic factor of export duty on steel bringing down profitability and demand.
- A troubled Chinese economy in terms of housing resulting in demands for stainless steel coming down. This consequently affects demand for ferrochrome from our Associate Company, ATIFC.

E. RISKS AND CONCERNS

Already dealt with under threat.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

i) COST CONTROL

Every single cost item goes through a thorough internal audit and in several stages as well. As part of the cost control system, every single aspect of costs goes through stringent pre-expenditure checks and audits as well.

ii) OPERATIONS

Process and deliverables pass through stringent control systems on a continuous basis. These systems are highly adequate and infact play a vital role in productivity, growth, efficiency, improvement etc.,

G. CAUTIONARY FORWARD-LOOKING STATEMENTS

The Company makes forward-looking statements that are subject to risks and uncertainties. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's strategy for growth, market position and financial results are forward-looking statements.

For those statements the Company cautions that numerous important factors could affect the Company's actual results and could cause its results to differ materially from those expressed in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

H. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

₹ in Lakhs

Particulars	31st March, 2018	31st March 2019	31st March 2020	31st March 2021	31st March 2022
I. OPERATING RESULTS:					
1. Sales	29,258	22,365	12,768	6,103	20,843
2. Operating Profit (PBIDT)	3,794	3,113	(228)	1,457	4,613
3. Interest	1,820	2,138	2,094	1,950	1,572
4. Depreciation	615	699	679	692	509
5. Taxes	177	272	(107)	(353)	(730)
6. Net Income (PAT)	1,182	4	(2,215)	(3,744)	3,263
7. Dividend Percentage	7%	-	-	-	-
Dividend Amount	194.38	-	-	-	-
Dividend Tax	-	-	-	-	-
8. Production					
Ferro Alloys (MT)	37,421	25,503	16,904	8,688	19,990
Power (Lakh KWH)	549.30	534.90	379.00	473.1	60.31

II. PERFORMANCE PARAMETERS

Particulars	31st March, 2018	31st March, 2019	31st March, 2020	31st March, 2021	31st March 2022
1. Share Capital	4,277	4,277	4,279	4,279	4,279
2. Reserves & Surplus	16,270	13,036	10,666	6,922	10,037
3. Secured Loans	13,685	12,875	13,179	13,967	10,658
4. Deferred Liabilities	630	313	206	-146	-1,603
5. Fixed Assets (Gross Block)	18,644	20,954	21,934	21,774	15,976
6. Accumulated Depreciation	-10,897	-12,182	-12,205	-12,885	-9,478
7. Investments	4,687	4,048	4,044	4,044	3,997
8. Net Current Assets	10,509	5,643	1,059	2,523	5,919

Particulars	31st March, 2018	31st March, 2019	31st March, 2020	31st March, 2021	31st March 2022
III. RATIOS					
1. Profit after tax / sales (%)	4.04	0.01	(17.35)	(61.36)	15.65
2. Return on Net Worth (%)	5.76	0.03	(79.70)	(33.43)	22.79
3. Earnings per Share (₹)	7.44	0.02	(7.97)	(13.47)	11.79
4. Cash Earnings per share (₹)	11.31	2.53	(5.53)	(10.98)	13.57
5. Debt Equity Ratio	0.67	0.65	0.88	1.25	0.74
6. Book Value Per Share (₹)	73.99	62.35	53.78	40.30	51.51

I. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Number of people employed – 217

Your Company has always endeavoured to retain quality manpower talent. Conscious efforts are on to develop a HR policy, accordingly, giving thrust for effective participation of potential human resources at all levels in the activities of the Company.

The HR policy has been designed so as to give thrust on a transparent and performance-driven work culture which ensures challenges and opportunities for the deserving.

The Copany in fact, adopts intensive selection process to ensure that best talents with great attitude are recruited so that the culture of teamwork and dedication remain intact.

INDSIL

J. FINANCIAL RATIOS

The Key Financial ratios of the Company are given below with explanation in case of significant changes

Financial Ratio	FY 2021-22	FY 2020-21	% Change in FY 2020-21 compared to FY 2019-20	Reason for change
Debtors Turnover (Days)	17	15	13.33%	
Inventory Turnover (Days)	234	437	46.45%	
Interest Coverage (Ratio)	2.61	0.39	569.23%	
Current Ratio	1.36	1.00	36.00%	
Debt Equity Ratio	0.74	1.25	40.80%	The increase in turnover and profitability have resulted in the improvement of the financial ratios
Operating Profit Margin (%) (EBIDTA after OCI and exceptional item / Total Revenue)	22.13%	23.88%	(7.32)%	
Net Profit Margin (%)	14.40%	(61.35) %	123.47%	
Return on Net Worth (%) (PAT after OCI / Net Worth)	22.18%	(33.43) %	166.55 %	

INDSIL

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March 2022 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

INDSIL is committed in maintaining the highest levels of Corporate Governance practices which are essential to the enhancement of the stakeholder value and for the success of the Company. Its Corporate Governance practices meet the regulatory requirements to ensure transparency and effective governance of the Company.

The Board of Directors of the Company review its corporate governance in the light of developing requirement in the field and as new provisions come into effect such provisions are complied with wherever appropriate.

INDSIL is endeavouring to become a leading advocate for sustainability in business to create value and growth in the process. The form and substance of transactions are reasonably representing the Company's state of affairs and the profile for the year.

BOARD OF DIRECTORS

(i) Composition, Category of Directors and Attendance at the meetings

The Board of Directors of the Company as on 31st March 2022 comprised of 6 directors. Sri Vinod Narsiman, Managing Director and Sri K Ramakrishnan, Whole-time Director were the Executive Directors, and all others were Non-executive Directors (out of which 3 were Independent Directors). The Company had 1 Woman Director as on 31st March 2022.

The Board met 7 times during the financial year on 7th June 2021, 28th June 2021, 12th August 2021, 11th November 2021, 13th December 2021, 29th December 2021 and 7th February 2022.

The details of composition of Board, category of Directorship, attendance of directors at the meetings of the Board of Directors and the Annual General Meeting held during the year are given hereunder:

Name of the Directors	Category of Directorships	Attendance Particulars		No of Directorships in other public companies*	No of Committee positions held in other public companies*
		Board Meeting	Last AGM		
Sri Vinod Narsiman (DIN: 00035746)	Managing Director / Promoter	7	Yes	-	-
Sri K Ramakrishnan (DIN: 02797842)	Whole Time Director / Executive/ Non-Independent	7	No	-	-
Sri S Varadarajan (DIN: 08744090)	Non-Executive / Non-Independent	7	Yes	-	-
Sri S K Viswanathan (DIN: 08850168)	Non-Executive / Independent	7	Yes	-	-
Smt Manjusharma (DIN: 08855406)	Non-Executive / Independent	7	No	-	-
Sri V Murali (DIN: 08999898)	Non-Executive/ Independent	7	Yes	-	-

* Excludes Directorships in Foreign Companies & Private Companies

None of the Directors holds Directorship in more than 20 Companies (including limit of maximum Directorship in 10 Public Companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors holds Directorship in more than the maximum number of Directorship prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the directors, none of the directors serve as member of more than ten committees nor are they the Chairman / Chairperson of more than five committees, as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Other Directorships in listed entities:

None of the Directors hold directorship in any other listed entity.

(iii) Disclosure of relationship between Directors inter-se:

None of the Directors of the Company are related to each other.

(iv) Shareholding of Non-Executive Directors:

Statement showing number of Equity Shares held by the Non-Executive Directors as on 31st March 2022 is as under:

Name of the Director	No of Shares held as on 31.03.2022
Sri S K Viswanathan	Nil
Sri S Varadarajan	5,833
Smt Manjusharma	Nil
Sri V Murali	Nil

The Company has not issued any type of convertible instruments to Non-Executive Directors.

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Independent Directors during the year.

None of the Directors were issued employee stock options during the year under review.

(v) Familiarization Programme for Independent Directors:

A Familiarization Programme was conducted by Sri Vinod Narsiman, Managing Director for the Independent Directors on 28th February 2022 & presentation is made to the Directors on an annual basis / periodical basis, briefing them on the operations of the Company, plans, strategy, risk involved, new initiatives etc., and their opinions and suggestions are taken.

The details of familiarization programme are available on the website of the Company: https//www.indsil.com/policies/

(vi) Separate Meeting of the Independent Directors:

The Independent Directors held a meeting on 28th February 2022, without the attendance of Non-Independent Directors and members of management. All the Independent Directors were present at the meeting.

The following matters were discussed in detail:

i) Review of the performance of Non-Independent Directors and the Board as a whole

ii) Review of the performance of the Managing Director of the Company, taking into account the views of Non-Executive Directors:

iii) Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(vii) Key Board Qualifications, expertise, competencies and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's Business Vertical(s) and sectors for functioning effectively and those already available with the Board are as follows:

Skills/ Core Competencies	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making	Financial and Management skills	Technical/ Professional skills and specialized knowledge in Relation to Company's business
Sri Vinod Narsiman	✓	✓	✓	✓	✓
Sri K Ramakrishnan	✓	✓	✓	✓	✓
Sri S Varadarajan	✓	✓	✓	✓	-
Sri S K Viswanathan	✓	✓	✓	✓	-
Smt Manjusharma	-	✓	-	✓	-
Sri V Murali	-	✓	-	✓	-

(viii)Confirmation on the fulfilment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

(ix) Resignation of Independent Directors before expiry of tenure:

None of the Independent Directors of the Company resigned from the Board of Directors of the Company during the year under review. However, Smt. Manju Sharma and Sri V Murali, Independent Directors resigned from the Board of Directors with effect from 19th August 2022 before the expiry of their tenure due to personal commitments and their inability to devote time to the Company.

Further, the said Independent directors have confirmed to the Company that there are no other material reasons other than those provided by them and the same has been duly disclosed to the Stock Exchange and has also been posted on the website of the Company.

INDSIL

AUDIT COMMITTEE

(i) Brief Description of terms of reference

The Audit Committee comprises of two Non-Executive Independent Directors and one Executive Director, and all the Members of the Committee possess knowledge in the fields of accounts, finance and allied areas.

The role, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. It is authorised to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions, and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the Statutory Auditors, Internal Auditor and Cost Auditor.

(ii) Composition of Committee, Meetings and attendance

During the year under review, the Committee met 6 (Six) times on 7th June 2021, 28th June 2021, 12th August 2021, 11th November 2021, 13th December 2021 and 7th February 2022.

The Composition of the Audit Committee and the attendance of each member of the Committee is given below:

Name of the Members	Category	No. of Meetings attended
Sri V Murali (Chairman)	Non-Executive Independent	6
Sri Vinod Narsiman (Member)	Executive Director Non-Independent	6
Sri S K Viswanathan (Member)	Non-Executive Independent	6

Note: Smt. T. Kalaivani has been inducted as the Chairperson of the Audit Committee in the place of Sri. V. Murali with effect from 19th August 2022 consequent to his resignation.

The Chairman of the Audit Committee had attended the Annual General Meeting.

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditor and Chief Financial Officer of the Company have also attended the Committee meetings as invitees. The minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of. The Audit Committee considered and reviewed the financial statements, before it was placed in the Board.

NOMINATION AND REMUNERATION COMMITTEE

(i) Brief Description of terms of reference

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The role, powers and functions of the Nomination and Remuneration Committee are as per Section 178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Composition of the Committee, Meetings and attendance

During the year under review, the Committee had met 3 (Three) times on 26th June 2021, 11th August 2021 and 13th December 2021.

The Composition of the Nomination and Remuneration Committee and the attendance of each member of the Committee is given below:

Name of the Members	Category	No. of Meetings attended
Sri V Murali (Chairman)	Non-Executive Independent	3
Sri S Varadarajan (Member)	Non-Executive Non-Independent	3
Sri S K Viswanathan (Member)	Non-Executive Independent	3

Note: Smt. T. Kalaivani has been inducted as the Chairperson of the Nomination and Remuneration Committee in the place of Sri. V. Murali with effect from 19th August 2022 consequent to his resignation.

The Chairman of the Nomination and Remuneration Committee had attended the Annual General Meeting.

The Committee would look into and determine the Company's policy on remuneration packages of the Executive Directors and Senior Management.

The Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website at http://www.indsil.com/policies/

(iii) Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the committees of the Board. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance.

STAKEHOLDERS RELATIONSHIP COMMITTEE

(i) Brief Description of terms of reference

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of this Committee are as required by SEBI under Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of Investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. The Committee also approves transmission, transposition, name deletion and issue of duplicate share certificates.

In addition, the Committee looks into other issues including status of dematerialization / re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

(ii) Composition of the Committee, Meetings and Attendance

During the year under review, the Committee met 7 (Seven) times on 28th April 2021, 26th May 2021, 28th July 2021, 29th September 2021, 29th October 2021, 29th January 2022 and 1st March 2022.

The composition of the Stakeholders Relationship Committee and the attendance of each member of the Committee is given below:

Name of the Member	Category	No. of Meetings Attended
Sri S K Viswanathan (Chairman)	Non – Executive Independent	7
Sri Vinod Narsiman (Member)	Executive Director Non-Independent	7
Smt Manjusharma (Member)	Non – Executive Independent	7

Note: Smt. Gayatri Vijaikumar and Smt. T. Kalaivani have been inducted as the members of the Stakeholders Relationship Committee with effect from 19th August 2022 consequent to the resignation of Smt. Manjusharma.

The Chairman of the Stakeholders Relationship Committee had attended the Annual General Meeting.

Smt P Krishnaveni, was the Company Secretary and Compliance Office till she resigned on 8th September 2021. Subsequently, Ms Rajkumari R was appointed as the Company Secretary & Compliance Officer of the Company with effect from 13th December 2021.

The details of complaints received from the shareholders are as follows:

a. Number of Shareholders complaints so far: Nil

b. Number of Complaints not resolved to the satisfaction of the shareholders: Nil

c. Number of pending complaints: Nil

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on a yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchange within stipulated time.

RISK MANAGEMENT COMMITTEE

The provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company and hence the Company is not required to constitute a Risk Management Committee. Accordingly, the disclosure under this clause does not arise.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility Committee comprising of the following members:

Name of the Members	Category
Sri S Varadarajan (Chairman)	Non-Executive Non-Independent
Sri Vinod Narsiman (Member)	Managing Director - Promoter
Sri S K Viswanathan (Member)	Non-Executive Independent

During the year under review, the Committee had met 1 (One) time on 11th August 2021.

The terms of reference of this Committee as assigned by the Board encompasses the following:

a. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;

b. To recommend the amount of expenditure to be incurred on the activities referred to above;

c. To monitor the CSR Policy of the Company from time to time.

d. Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India.

Further, the Board of Directors of the Company at their meeting held on 19th August 2022 has also dissolved the Corporate Social Responsibility Committee and the functions of the Committee have been taken over by the Board of Directors.

REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors for the year ended 31st March 2022 are as follows:

(i) Executive Directors

The Company's Board of Directors at present comprises of two executive directors. The remuneration of the executive directors is governed by a resolution which has been approved by the Board of Directors and the shareholders. The remuneration broadly comprises of fixed and variable components. The variable component of the Managing Director is linked to the net profits of the Company. The remuneration paid / payable to managerial personnel during the year is given below:

(Amount in ₹)

Name of the Director and Designation	Service Contract	Salary	Commission	Sitting fees and meeting expenses	Total remuneration
Sri Vinod Narsiman Managing Director	5 Years with effect from 06.11.2017	4,50,000	50,67,064	32,500	55,49,564
Sri K Ramakrishnan Whole-Time Director	3 Years with effect from 01.06.2021	5,20,562	Nil	22,500	5,43,062

Services of the Managing Director and Executive Director may be terminated by either party, giving the other party three months' notice. There is no provision for payment of severance pay.

The stock options granted are exercisable after a period of one year from the date of grant of options. No stock options were granted to the Directors during the year under review.

(ii) Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings. The details of sitting fees to the Directors for attending the Board and Committee meetings during the year ended 31st March 2022 are as under:

(Amount in ₹)

Name of the Director	Sitting Fees, meeting and travelling expenses
Sri S K Viswanathan	96,000
Smt Manjusharma	54,000
Sri V Murali	32,500
Sri S Varadarajan	22,500

There are no pecuniary relationships or transactions with the Non-Executive Directors vis-à-vis the Company other than that stated above.

(iii) The criteria of making payments to Non-Executive Directors has been posted on the website of the Company at https://www.indsil.com

(iv) The Company has in place an Employee Stock Option Scheme called "Indsil Hydro Power and Manganese Limited Employee Stock Option Scheme 2018". No fresh stock options have been granted to the employees of the Company during the year under review. The Company has not granted any stock option to its Non-executive Directors.

(v) The remuneration paid to the directors of the Company is within the limits prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

GENERAL BODY MEETINGS

Location and time for last three AGMs held and the special resolutions, if any, passed thereat, are as given below:

Year	Date of Meeting	Time of Meeting	Venue of the Meeting	Special Resolutions passed, if any
2020-21	24.09.2021	04.00 PM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1) Re-appointment of Sri S K Viswanathan as an Independent Director of the company
				2) Re-appointment of Smt Manju Sharma as an Independent Director of the company
2019-20	16.12.2020	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1) Approval for payment of remuneration to Sri Vinod Narsiman, Managing Director of the Company
				2) Re-appointment of Sri K Ramakrishnan as Whole Time Director of the Company and approval of his remuneration.
				3) Alteration in Articles of Association of the Company.
				4) Approval to sell or transfer or dispose off Unit II of the Company situated at Garbham.

Year	Date of Meeting	Time of Meeting	Venue of the Meeting	Special Resolutions passed, if any
2018-19	26.12.2019	10.30 AM	"ARDRA", Kaanchan Building, No. 9 North Huzur Road, Coimbatore – 641 018	1) Continuation of the Directorship of Sri S N Varadarajan as a Non-Executive Director of the Company.
				2) Continuation of the Directorship of Sri B Balchand as a Non-Executive Director of the Company.
				3) Re-appointment of Dr A K Sreedharan as an independent Director of the Company.
				4) Extension of the period of redemption of 10% Cumulative Redeemable Preference Shares of the Company.
				5) Approval to sell or transfer or dispose off Unit III of the Company situated at Raipur.

All resolutions moved at the last Annual General Meeting were passed with the requisite majority of shareholders.

EXTRA ORDINARY GENERAL MEETING

During the year, no Extra Ordinary General Meeting was held.

POSTAL BALLOT

No resolutions were put through postal ballot last year. No special resolution requiring postal ballot was proposed. As on date of this report, the Company does not foresee the need for postal ballot to pass any resolution in the financial year 2022-23.

MEANS OF COMMUNICATION

The quarterly results and annual results are published in newspapers viz., "The Mint", "Business Standard" in English and "Makkal Kural" in Tamil and simultaneously posted on the Company's website http://www.indsil.com/financialinformation/.

The copies of the results are forwarded to concerned Stock Exchange immediately after they are approved by the Board for publication in their website. The Company has a dedicated help desk with e-mail id: indsilho@indsil.com for providing necessary information to investors.

There were no specific presentations made to institutional investors or to the analysis during the year.

GENERAL SHAREHOLDER INFORMATION

32nd Annual General Meeting

Date and Time : Wednesday, 28th September 2022 at 11.00 AM

Venue : The meeting is being convened through video conferencing / other audio-visual means and hence the registered office of the Company will be deemed to be the venue of the AGM.

FINANCIAL CALENDAR

Financial Year : 1st April 2021 to 31st March 2022

Dividend Payment Date: Not Applicable.

INDSIL

Listing of shares on Stock Exchange

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001

Annual Listing Fees for the year 2021-22 was paid to BSE Limited.

STOCK MARKET DATA

Type of Security: Equity

Stock Code:

BSE Limited: 522165

ISIN allotted for equity shares: INE867D01018 (Fully paid ₹ 10/- each)

Stock Price Data and comparison with BSE Sensex

For the period: April 2021 to March 2022

Month & Year	Company Share Price		BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2021	13.10	10.72	50375.77	47204.50
May, 2021	14.99	12.30	52013.22	48028.07
June, 2021	19.65	13.51	53126.73	51450.58
July, 2021	22.45	16.75	53290.81	51802.73
August, 2021	29.95	22.40	57625.26	52804.08
September, 2021	27.00	20.95	60412.32	57263.9
October, 2021	45.50	25.55	62245.43	58551.14
November, 2021	51.50	37.70	61036.56	56382.93
December, 2021	62.35	39.60	59203.37	55132.68
January, 2022	109.25	60.30	61475.15	56409.63
February, 2022	118.00	73.20	59618.51	54383.2
March, 2022	103.60	60.40	58890.92	52260.82

There was no suspension of trading in securities of the Company during the year under review.

Registrars & Share Transfer Agents: (For both physical & demat segments)

S.K.D.C Consultants Limited
“Surya”, 35 Mayflower Avenue,
Behind Senthil Nagar Sowripalayam Road, Coimbatore – 641 028
Tel: 0422- 4958995, 2539835/6
Fax: 0422-2539837, E-mail ID: info@skdc-consultants.com

Details of Compliance Officer

Ms Rajkumari R
Indsil Hydro Power and Manganese Limited
“Indsil House”, T.V.Samy Road (West),
R.S.Puram, Coimbatore – 641 002
Ph: 0422-4522936
Email ID: secretarial@indsil.com

In order to facilitate investor servicing, the Company has designated an e-mail id: indsilho@indsil.com mainly for registering complaints by investors.

INDSIL

Reconciliation of Share Capital Audit

A qualified Company Secretary in Practice carried out reconciliation of Share Capital 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 reconciliation of Share Capital Audit Report 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 with NSDL & CDSL.

Share Transfer System

The Company's shares being in compulsory dematerialized (demat) list are transferable through the depository system. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Stakeholders Relationship Committee generally meets as and when required.

Categories of Shareholders as on 31st March 2022

Category	No. of Shares of ₹ 10/- each	% to total
PROMOTERS	17629941	63.437
CENTRAL GOVERNMENT / STATE GOVERNMENT	1054166	3.793
BODIES CORPORATE	216068	0.777
NON-RESIDENT INDIANS	591779	2.129
HINDU UNDIVIDED FAMILY	527857	1.899
CLEARING MEMBERS	31836	0.114
DIRECTORS AND RELATIVES	8633	0.031
INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	243449	0.814
UNCLAIMED SHARE SUSPENSE ACCOUNT	14042	0.050
LIMITED LIABILITY PARTNERSHIPS	8027	0.028
PUBLIC	7465324	26.862
TOTAL	**27791122**	**100.000**

Distribution of Shares as on 31st March 2022

Range (Value in ₹)	No. of Shareholders	% of Number of Shareholders	Face Value of Shares (₹)	% held (% value)
Upto 500	7045	78.9798	1058611	3.81
501 to 1000	787	8.8229	639847	2.30
1001 to 2000	493	5.5269	752190	2.71
2001 to 3000	186	2.0852	477159	1.72
3001 to 4000	82	0.9193	291773	1.05
4001 to 5000	74	0.8296	348311	1.25
5001 to 10000	128	1.4350	988721	3.56
10001 and above	125	1.4013	23234510	83.60
Total	**8920**	**100.00**	**27791122**	**100.00**

Dematerialization of Shares and Liquidity

The Company has arrangements with National Securities Depository Ltd (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility.

During the financial year 2021-22, 18,524 shares were dematted. As on 31st March 2022 out of 2,77,91,122 shares, total shares in demat form are 2,74,62,975 shares and 3,28,147 shares in physical form. This represents that 98.82% shares of the Company are in demat form and 1.18% shares are in physical form.

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their likely impact on Equity

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR / ADR.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities: NIL

Plant Locations

Smelter Plant	i. VI-679 Pallatheri, Elapully, Palakkad 678 007, Kerala
	ii. Merakamudidam Mandalam, Garbham 535 102 Vizianagaram Dist, Andhra Pradesh
Rajakkad Hydro Electric Power Plant	VIII/351, Rajakkad, Idukki Dist 685 566, Kerala

Address for Correspondence / Contact address for shareholder

S.K.D.C Consultants Limited
"Surya", 35 Mayflower Avenue,
Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641 028
Tel: 0422- 4958995, 2539835/6
Fax: 0422-2539837, E-mail ID: info@skdc-consultants.com

For annual report, transfer of demat shares, dividend on shares, change of address & other query relating to shares of the Company and investors correspondence, may be addressed to:

Ms Rajkumari R
Company Secretary & Compliance Officer
Indsil Hydro Power and Manganese Limited
Direct Phone: +91 422 4522936
Email ID: secretarial@indsil.com

Credit Rating

The Company does not have any Debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds either in India or abroad that requires Credit Rating.

DISCLOSURE

a. Disclosures on materially significant Related Party Transactions

All the Related Party Transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large. The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. Kindly refer to the notes forming part of accounts for the details of related party transactions. The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website viz., www.indsil.com.

b. Details of non-compliance by the Company, penalties, structures imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

No penalties, structures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

c. Details of establishment of vigil mechanism/ whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

Your Company hereby affirms that no complaints were received during the year under review.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any of the non-mandatory requirements.

e. Policy for determining material subsidiaries and Policy on Related Party Transaction

Policy for determining material subsidiaries and Policy on dealing with Related Party Transactions has been disclosed on the website of the Company at www.indsil.com.

f. Commodity price risk and commodity hedging activities

The Company has not engaged in commodity hedging activities.

Forex exposure is being reviewed by the Board in every quarter. Forex exposure is being adequately covered as per the advice of consultant.

g. Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)

The Company has not raised any funds through preferential allotment or qualified institutional placement and hence disclosure of the utilisation of funds as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 does not arise.

h. Certificate on non-disqualification of directors

A Certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director of the Companies by the

Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.

i. Recommendation of the Committees of the Board

During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.

j. Total Fees for all services paid to the Statutory Auditor

The Company has paid a sum of ₹ 5,50,000/- plus out of pocket expenses and applicable taxes as fees on consolidated basis to the Statutory Auditor and all entities in the network firm / entity of which the Statutory Auditor is a part for the services rendered by them.

k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee.

During the year 2021-22, no complaint was received by the Committee. As such, there are no complaints pending as at the end of the financial year.

l. Disclosure on Accounting Treatment

In the preparation of the financial statements, the Company has followed the accounting standards referred to in Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount': Not Applicable

n. Disclosure on Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

o. There has been no instance of non-compliance of any requirement of Corporate Governance Report as stated above in sub-paras 2 to 10 above.

p. The Company has not adopted any of the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

q. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate from CEO / CFO

The Managing Director and CFO certification on the financial statements for the year has been submitted to the Board of Directors in its meeting held on 26th May 2022 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

The same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct for the year under review.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a Code of Conduct for monitoring the trading done by designated persons based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated persons who are expected to have access to unpublished price sensitive information relating to the Company.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

DECLARATION

I hereby affirm and state that all Board Members and Senior Management Personnel have given a declaration in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and I hereby affirm compliance with the said Code of Conduct for the financial year 2021-22.

Place: Coimbatore
Date: 19.08.2022

VINOD NARSIMAN
MANAGING DIRECTOR
DIN: 00035746

Unclaimed Suspense Account

Pursuant to Regulations 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had transferred its Unclaimed Shares to Indsil Hydro Power and Manganese Limited – Demat Suspense Account, maintained with M/s Cholamandalam Securities Limited. The details pertaining to the Unclaimed Securities Suspense Account are given below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	78	15038
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of shareholders whose shares were transferred from suspense account during the year	8	996
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March 2022	70	14042

The voting rights on the outstanding unclaimed shares as on 31st March 2022 shall remain frozen till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identify to the Company's Registrars & Share Transfer Agents.

INDSIL

Certificate on Corporate Governance for the year ended 31/03/2022

To

The Members of M/s. Indsil Hydro Power and Manganese Limited

Dear Sir,

I have examined the compliance conditions of Corporate Governance by M/s. Indsil Hydro Power and Manganese Limited ("the Company") for the financial year ended 31st March 2022 as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2022.

I further 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.

M D SELVARAJ
MDS & Associates
Company Secretaries in Practice
FCS No.: 960 CP No.: 411
UDIN: F000960D000813420
Peer Review No. 985/2020

Place: Coimbatore
Date: 19th August 2022

INDSIL

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of
M/s. INDSIL HYDRO POWER AND MANGANESE LIMITED
(CIN: L27101TZ1990PLC002849)
Indsil House, Door No.: 103-107,
T.V. Samy Road (West), R S Puram,
Coimbatore – 641002, Tamil Nadu

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. INDSIL HYDRO POWER AND MANGANESE LIMITED** having CIN: L27101TZ1990PLC002849 and having registered office at Indsil House, Door No.: 103-107, T.V. Samy Road (West), R S Puram, Coimbatore – 641002, Tamil Nadu (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Vinod Narsiman (Managing Director)	00035746	18/01/1997
2	Mr. Ramakrishnan Kottarathil (Whole-time Director)	02797842	01/06/2009
3	Mr. Seshadri Varadarajan	08744090	21/05/2020
4	Mr. Krishnaswamy Viswanathan	08850168	09/09/2020
5	Mrs. Manjusharma	08855406	09/09/2020
6	Mr. Venkataraman Murali	08999898	28/12/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate 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.

M D SELVARAJ
MDS & Associates
Company Secretaries in Practice
FCS No.: 960; C P No.: 411
UDIN: F000960D000813411
Peer Review No. 985/2020

Place: Coimbatore
Date: 19th August 2022

INDSIL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDSIL HYDRO POWER AND MANGANESE LIMITED

Report on the audit of the standalone financial statements

Opinion

We have audited the standalone financial statements of INDSIL HYDRO POWER AND MANGANESE LIMITED ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "SFS").

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 Companies Act, 2013 ("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, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SA's) specified under section 143 (10) of the Act. Our responsibilities under those SA's are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter Description	How the matter was addressed
A. Assessment of loans outstanding with the Bank and other parties: The company has a Term loan of 2,559.89 lakhs (among which 255.58 is short term and 2,304.31 is long term) (refer note no 2.14). It also has working capital loan of 8,098.27 lakhs with various banks (refer note no 2.16). In view of significance and impact on financial statements we have identified it as a key audit matter.	**We have applied following audit procedures in this regard:** • Obtained independent balance confirmations in respect of all the borrowings with the lender (banks / financial institutions etc.) from the management and compared the balances obtained to the books of the accounts. • Obtain a schedule of short term and long-term borrowings (including debts outstanding at the end of the previous year, as well as any new debt or renewal of debt) showing beginning and ending balances and borrowings taken and repaid during the year (refer note no.2.44). • Review subsequent transactions after the end of the reporting period to determine if there are unrecorded liabilities at year-end and the transactions are recorded in the relevant period.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for other information. The other information comprises the information included in the Director's Report to the shareholders, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Director's Report to the shareholders if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charges with governance for the standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the State of Affairs, Profit and Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the companies (Ind AS)rules,2015,as amended . This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow 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 Indian accounting standards specified under section 133 of the Act, read with rules 7 of the companies (accounts) rules ,2015, as amended as amended from time to time;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 7 of Annexure A to the Independent auditor's report.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.

d. The dividend declared and paid during the year by the company is in compliance with section 123 of the companies Act, 2013.

3. In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the act. The remuneration paid is not in excess of the limit laid down under section 197 of the act.

For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928
UDIN: 22224928AJQLPY3138

Place: Coimbatore
Date: 26.05.2022

INDSIL

ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report to the members of INDSIL HYDRO POWER AND MANGANESE LIMITED for the year ended 31st March 2022. We report that:

1. (a) In our opinion and according to the information and explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and equipment and intangible assets.

   (b) The Property, plant and equipment were physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.

   (c)According to the information and explanations given to us, and on the basis of our examination of the records of the company, the title deeds, comprising all the immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date.

   (d)The company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

   (e)Based on the information and explanations furnished to us, no proceeding have been initiated during the year or are pending against the company as at 31st march ,2022 for holding any benami property under the benami transactions (Prohibition Act,1988) and rules made there under.

2. (a)The inventories have been physically verified by the management during the year. In our opinion, the coverage and procedure adopted by the management for such verification is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such verification.

   (b)The company has not been sanctioned working capital limits in excess of 5 crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

3. In our opinion and according to the information and explanation given to us, the company has not provided any guarantee or security /granted loans and advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or other parties.

4. In our opinion and according to information and explanation given to us, the Company has not granted any loan or provided any guarantee or given any security or made any investment which is covered under section 185 and 186 of companies Act ,2013.

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits nor accepted any amounts which are deemed to be deposits within the meaning of section 73 of the companies Act ,2013 and the rules made thereunder, to the extend applicable.

6. We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of Cost records under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities.

   (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, and other material statutory dues were in arrears as at March 31,2022 for a period of more than 6 months from the date they become payable.

(c) Details of Statutory Dues as on 31st March 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved (₹ In lakhs)
Income Tax Act,1961	Income Tax	Commissioner of Income Tax(appeals), Coimbatore	2017-18	4.09*
Income Tax Act,1961	Income Tax	Commissioner of Income Tax(appeals), Coimbatore	2018-19	12.98
Income Tax Act,1961	Income Tax	Commissioner of Income Tax, Coimbatore	2019-20	7.68
Kerala Value Added Tax Act, 2003	VAT	Honorable High Court of Kerala	2012-2013	771.03*
Kerala Value Added Tax Act, 2003	VAT	Honorable High Court of Kerala	2013-2014	468.34*
Kerala Value Added Tax Act, 2003	VAT	Honorable High Court of Kerala	2014-2015	3258.10*
Kerala Value Added Tax Act, 2003	VAT	Honorable High Court of Kerala	2015-16	348.33*

*Inclusive of Interest

Electricity duty notice: This Case pertains to levy of electricity duty on the self-generation of Unit between year 2005 to 2015.The basic electricity duty amount as per the demand note is ₹ 24,08,21,263/- and levy of interest is ₹ 38,01,24,619/-. The case is before the Honorable High Court of Bilaspur and the Company has obtained stay order.

8. In our opinion and according to the information and explanation given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income tax Act ,1961(43 of 1961) as income during the year.

9. (a)the company has defaulted in repayment of loans or other borrowings or in payment of interest to any lender during the year and it is categorized as a non performing asset (by certain banks) and the company is in the process of restructuring. (Refer note:2.14 of financial statements)

   (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   (c)In our opinion, and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were availed.

   (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

   (e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

   (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate Companies.

10. (a)The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (x)(a) of the order is not applicable.

    (b)According to the information and explanations given to us and based on our examination of the records of the

company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the order is not applicable.

11. (a)During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

    (b) According to the information and explanations given to us and based on our examination there is no fraud by the company or no material fraud on the company by any person has been noticed or reported during the year so, there was no need to file Form ADT – 4 under sub-section (12) of section 143 of the Companies Act, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government report, during the year and up to the date of this report.

    (c) As represented to us by the management, no whistle blower complaints have been received during the year by the Company.

12. The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(xii)(a) to 3(xii) (c) of the Order are not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with the sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

14. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business. (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us, as part of our audit procedure.

15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

16. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

    (b) The Company has not conducted non- banking financial/housing finance activities during the year. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

    (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on Clause 3(xvi)(c) of the order is not applicable to the Company.

    (d)In our opinion and according to the information and explanation given to us, the company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, Paragraph 3(xvi)(d) of the order is not applicable.

17. The Company has not incurred cash losses in the financial year and but incurred cash losses of ₹ 492.52 Lakhs in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

19. 19. On the basis of the disclosure in the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the loans obtained has been classified as NPA (Non-performing assets) by various banks. The company has approached the banks for restructuring and started

remitting Interest to all the banking lenders. The management is confident of the industry growth and settle the dues as per proposed restructuring plan.

20. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section (5) of section 135 of the Act.

    (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

21. In our opinion and according to the information and explanation given to us, there have been no qualifications or adverse remarks by the respective auditors in the companies audit report order (CARO) reports of the companies included in the consolidated financial statements.

For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928
UDIN: 22224928AJQLPY3138

Place: Coimbatore
Date: 26.05.2022

Annexure - B to the Independent Auditors' Report

Annexure referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of INDSIL HYDRO POWER AND MANGANESE LIMITED ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The board of directors of the Company'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 the adherence to the 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) 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.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and according to the information and explanation given to us , the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928
UDIN: 22224928AJQLPY3138

Place: Coimbatore
Date: 26.05.2022

INDSIL

Standalone Balance Sheet as at March 31, 2022

Sl. No	PARTICULARS	Note No.	As at 31.03.2022 ₹ in Lakhs		As at 31.03.2021 ₹ in Lakhs	
I.	**ASSETS**					
1.	**Non Current Assets**					
	(a) Property, Plant and Equipment	2.01	6,374.64		8,763.01	
	(b) Capital Work-in-progress		120.08		120.08	
	(c) Other Intangible Assets		3.39		5.63	
	(d) Financial Assets					
	(i) Investments	2.02				
	a) Investment in subsidiaries		25.73		51.45	
	b) Other Investments		3,971.04		3,992.41	
	(ii) Other financial assets	2.03	1,732.40		1,683.10	
	(e) Deferred Tax Assets (Net)	2.04	876.80		146.42	
	(f) Other Non Current Assets	2.05	1,031.64		914.15	
			-	**14,135.71**	-	**15,676.25**
2	**Current Assets**					
	(a) Inventories	2.06	13,375.76		13,886.25	
	(b) Financial Assets					
	(i) Investments		-		-	
	(ii) Trade Receivables	2.07	966.03		464.43	
	(iii) Cash and Cash Equivalents	2.08	92.79		257.56	
	(iv) Bank Balances other than (iii) above		106.37		113.01	
	(v) Other financial assets	2.09	167.47		656.68	
	(c) Current Tax Assets (Net)	2.10	25.09		21.67	
	(d) Other Current Assets	2.11	10.04		334.91	
			-	**14,743.55**	-	**15,734.51**
	TOTAL ASSETS			**28,879.26**		**31,410.76**
	EQUITY AND LIABILITIES					
1.	**Equity**					
	(a) Equity Share Capital	2.12	4,279.11		4,279.11	
	(b) Other Equity	2.13	10,037.42		6,921.09	
			-	**14,316.53**	-	**11,200.21**
2.	**Non Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	2.14	2,304.31		3,096.35	
	(ii) Trade Payables					
	(iii) Others					
	(b) Provisions	2.15	1,395.69		1,304.17	
	(c) Deferred Tax Liabilities (Net)					
	(d) Other Non Current Liabilities					
			-	**3,700.00**	-	**4,400.52**
3	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	2.16	8,353.85		10,871.25	
	(ii) Trade Payables	2.17				
	a) Outstanding dues of micro and small enterprises		1.94		32.44	
	b) Outstanding dues other than (a) above		1,285.18		3,183.08	
	(iii) Other Financial Liabilities					
	(b) Other Current Liabilities	2.18	1,221.76		1,722.26	
	(c) Provisions		-		-	
			-	**10,862.73**	-	**15,809.03**
	TOTAL EQUITY AND LIABILITIES			**28,879.26**		**31,410.76**

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

INDSIL

Statement of Standalone Profit and Loss for the year ended March 31, 2022

Sl. No.	PARTICULARS	Note No.	YE 31.03.2022 ₹ in Lakhs		YE 31.03.2021 ₹ in Lakhs	
	Income					
I	Revenue from operations	2.19	20,843.45		6,102.73	
II	Other Income	2.20	1,206.51		230.08	
III	**Total Income (I + II)**			**22,049.96**		**6,332.82**
IV	Expenses					
	Cost of Materials Consumed	2.21	11,542.78		2,941.51	
	Changes in inventories of finished goods, work in progress and Stock-in- trade	2.22	32.91		(588.92)	
	Employee benefits expense	2.23	1,327.14		820.53	
	Finance Costs	2.24	1,572.12		1,949.84	
	Depreciation and amortization expense	2.25	509.15		692.21	
	Other expense	2.26	4,533.67		1,702.39	
	Total Expenses		**-**	**19,517.77**	**-**	**7,517.54**
V	Profit before exceptional items and tax (III-IV)			2,532.19		(1,184.73)
VI	Exceptional Items			-		2,912.12
VII	Profit before tax (V-VI)			2,532.19		(4,096.85)
VIII	**Tax expense:**	**2.27**				
	(1) Current tax		-		-	
	(2) Deferred tax		(730.38)		(352.39)	
			-	**(730.38)**	**-**	**(352.39)**
IX	Profit for the period from continuing operations (VII - VIII)			3,262.57		(3,744.46)
X	Profit/(Loss) from Discontinued Operations					
XI	Tax Expense of Discontinued Operations					
XII	Profit/(Loss) from Discontinued Operations after tax (X - XI)			-		-
XIII	Profit for the period (IX + XII)			3,262.57		(3,744.46)
XIV	Other Comprehensive Income					
	A (i) Items that will not be reclassified to Profit or Loss					
	Remeasurement of the defined benefit plans			(65.88)		
	Changes in fair value of FVOCI equity instruments			0.05		0.34
	(ii) Income tax relating to Items that will not be reclassified to Profit or Loss			(21.43)		
	B (i) Items that will be reclassified to Profit or Loss					
	(ii) Income tax relating to Items that will be reclassified to Profit or Loss					(0.08)
XV	Total Comprehensive Income for the period (XIII + XIV)			3,175.32		(3,744.20)
XVI	**Earnings per equity share:**	2.31				
	(1) Basic			11.74		(13.47)
	(2) Diluted			11.74		(13.47)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

INDSIL

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

S.No.	Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
		₹ in Lakhs	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit / (loss) before tax	2,532.19	(4,096.85)
	Adjustments for non-cash non-operating items	-	2,912.12
	Interest Income	(0.83)	(37.68)
	Dividend Income	-	-
	Depreciation	509.15	692.21
	Profit/ Loss on sale of assets	(992.03)	(0.01)
	Interest & other financial charges	1,572.12	1,949.84
	Provision for gratuity and Encashment of earned leave	91.52	25.12
	Other Non - Cash Items	(8.34)	212.89
	OCI items (+) tax there on	(87.25)	0.26
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**3,616.54**	**1,657.89**
	Adjustments for changes in		
	Current Assets:		
	Inventories	510.49	(1,273.10)
	Trade receivables	(501.60)	361.90
	Other current assets	324.87	(9.90)
	Current tax assets	(3.42)	(3.25)
	Current Liabilities:		
	Trade Payables	(1,928.39)	(386.53)
	Other current liabilities	(500.50)	(135.47)
	Current Provisions	-	-
	Other Non - Cash Items	-	
	Cash generated from operations	1,517.98	211.53
	Adj: Income Tax	0.00	
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**1,517.98**	**211.53**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	1,879.22	148.03
	Investments made during the year (ST)	(892.80)	-
	Investments made during the year (LT)	(0.00)	(0.26)
	Interest received	0.83	37.68
	Profit/ loss on sale of fixed assets	992.03	0.01
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**1,979.28**	**185.46**

INDSIL

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022 (CONTD..)

S.No.	Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
		₹ in Lakhs	
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of share capital (Towards PC on merger)		
	Repayment of Long term borrowings	(0.00)	
	Increase in Long term Borrowings	(935.04)	(455.97)
	Financial Charges & Interest	(1,572.12)	(1,949.84)
	Increase/(decrease) in Deferred Tax	730.39	(352.39)
	Increase/(decrease) in Short term loans and advances	745.21	486.09
	Increase/(decrease) in Long term loans and advances	(119.70)	201.44
	Increase/(decrease) in Other bank balances (non cash euivalents)	6.64	121.46
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(1,144.63)**	**(1,949.21)**
	NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**2,352.63**	**(1,552.21)**
	Cash and Cash Equivalents as on 01.04.2021 (Opening Balance)	**(10,613.69)**	**(9,061.48)**
	Cash and Cash Equivalents as on 31.03.2022 (Closing Balance)	**(8,261.06)**	**(10,613.69)**

Note :

i) Cash and cash equivalents included in the cash flow statement comprise the following Balance sheet figures:

₹ in lakhs

	31.03.2022	31.03.2021
Cash in Hand and balance with Banks	92.79	257.56
Short term Investments in debt based liquid funds	-	
(-) Short term borrowings	(8,353.85)	(10,871.25)
	(8,261.06)	(10,613.69)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

Note: The "Current maturities of Long Term Borrowings" earlier grouped under "Other financial liabilities" have been re-grouped under " Short Term Borrowings".

INDSIL

Statement of Changes in Equity for the Year ended 31st March 2022

A) Equity Share Capital

₹ in lakhs

For the year ended 31st March 2022

Balance as at 01st April 2021	Changes in equity share capital due to prior errors	Restated balance as at 01 April 2021	Changes in equity share capital during the year	Balance as at 31st March 2022
4,279.11				4,279.11

₹ in lakhs

For the year ended 31st March 2021

Balance as at 01st April 2020	Changes in equity share capital due to prior errors	Restated balance as at 01 April 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
4,279.11				4,279.11

B) Other Equity

₹ in lakhs

Particulars	Reserves & Surplus			Capital Reserve	OCI	Total
	Securities Premium Reserve	General Reserve	P&L / Surplus			
Balance as at 01.04.2020	1,910.66	2,302.60	7,370.53	(965.41)	47.91	10,666.29
Profit for the period			(3,744.46)			(3,744.46)
Other Comprehensive Income					0.26	0.26
Dividend issued	-	-	-	-	-	-
Balance as at 31.03.2021	1,910.66	2,302.60	3,626.07	(965.41)	48.18	6,922.09
Profit for the period			3,262.57			3,262.57
Other Comprehensive Income					(87.25)	(87.25)
Dividend issued	-	-	(60.00)	-	-	(60.00)
Balance as at 31.03.2022	1,910.66	2,302.60	6,828.64	(965.41)	(39.07)	10,037.42

Standalone Notes to Financial Statements

2.01 Property, Plant And Equipment And Capital Work-In-Progress

Particulars	As at 31st March 2022	As at 31st March 2021
Carrying amounts of:		
Industrial Plot	497.12	528.73
Buildings	1,803.73	2,264.16
Plant and Equipment	3,918.06	5,797.43
Furniture and fixtures	3.30	5.06
Vehicles	5.79	15.41
Office Equipment	146.63	152.22
Total	**6,374.64**	**8,763.01**
Capital Work-in-progress	120.08	120.08
Intangible Assets	3.39	5.63
Total	**6,498.10**	**8,888.72**

Particulars	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	office equipments	Total	Capital Work in progress	Intangible Assets	Grand Total
Cost or deemed cost										
Balance at 01st April 2020	**528.73**	**4,713.94**	**15,651.42**	**60.80**	**141.44**	**531.46**	**21,627.79**	**269.67**	**36.59**	**21,934.05**
Additions	149.59		29.24			1.58	180.42	61.82		242.24
Eliminated on disposals of assets	149.59		41.03		0.30		190.92	211.42		402.34
Balance at 31st March 2021	528.73	4,713.94	15,639.63	60.80	141.14	533.04	21,617.29	120.08	36.59	21,773.95
Additions	-	156.09	346.36	-	1.15	-	503.60	-	-	503.60
Eliminated on disposals of assets	31.61	837.13	5,310.09	10.55	60.30	51.74	6,301.41			6,301.41
Balance at 31st March 2022	**497.12**	**4,032.91**	**10,675.91**	**50.25**	**81.99**	**481.30**	**15,819.48**	**120.08**	**36.59**	**15,976.15**
Accumulated depreciation and impairment										
Balance at 01st April 2020		**2,323.84**	**9,298.21**	**55.10**	**121.28**	**376.72**	**12,175.17**		**29.93**	**12,205.10**
Eliminated on disposals of assets			(11.79)		(0.28)		(12.07)			(12.07)
Depreciation Expense		125.94	555.78	0.64	4.72	4.10	691.18		1.03	692.21
Balance at 31st March 2021		2,449.79	9,842.20	55.74	125.73	380.82	12,854.28		30.96	12,885.23
Eliminated on disposals of assets		331.69	3,473.74	9.20	52.57	49.13	3,916.34			3,916.34
Depreciation Expense		111.08	389.38	0.42	3.05	2.98	506.91		2.25	509.15
Balance at 31st March 2022		2,229.17	6,757.84	46.95	76.20	334.67	9,444.84	-	33.20	9,478.04
Carrying Amount										
Balance at 01st April 2020	**528.73**	**2,390.10**	**6,353.21**	**5.70**	**20.15**	**154.74**	**9,452.62**	**269.67**	**6.66**	**9,728.96**
Additions	149.59						149.59			149.59
Eliminated on disposals of assets	149.59		29.24			1.58	180.42	61.82		242.24
Depreciation expense		125.94	543.99	0.64	4.44	4.10	679.11		1.03	680.14
Balance at 31st March 2021	528.73	2,264.16	5,797.43	5.06	15.41	152.22	8,763.01	120.08	5.63	8,888.72
Additions	-	156.09	346.36	-	1.15	-	503.60	-	-	503.60
Eliminated on disposals of assets	31.61	505.43	1,836.35	1.34	7.73	2.61	2,385.07	-	-	2,385.07
Depreciation expense	-	111.08	389.38	0.42	3.05	2.98	506.91	-	2.25	509.15
Balance at 31st March 2022	**497.12**	**1,803.73**	**3,918.06**	**3.30**	**5.79**	**146.63**	**6,374.64**	**120.08**	**3.39**	**6,498.10**

Capital work in progress

Particulars	As at 31st March 2022	As at 31st March 2021
	(₹ in Lakhs)	
Opening CWIP at Cost	120.08	269.67
Additions during the year		61.82
moved to Fixed Assets during the year		211.42
Closing CWIP at Cost	120.08	120.08

Capital Work in progress (CWIP) ageing schedule

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	March 31, 2022	March 31, 2021
					(₹ in Lakhs)	
For FY 2021-22						
Projects in progess		120.08	-	-	120.08	-
Projects temporarily suspended	-	-	-	-	-	-
For FY 2020-21						
Projects in progess	61.82	58.26				120.08
Projects temporarily suspended	-	-	-	-	-	-

Capital Work in progress (CWIP) is overdue or exceeded its original plan cost

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	March 31, 2022	March 31, 2021
					(₹ in Lakhs)	
For FY 2021-22						
Projects in progess	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-
For FY 2020-21						
Projects in progess	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-

2.02 Non Current Investments

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Trade Investments - Unquoted At Cost		
1	In Equity Shares of Joint Venture Company - Al Tamman Indsil Ferro chrome of 142.212 Oman Riyal - each (Extent of Holding - 50%.)	3,923.73	3,923.73
2	In Equity Shares of Wholly Owned Subsidiary Company - Indsil energy Global (FZE) (Extent of Holding - 100%)	25.73	25.73
3	In Equity Shares of Wholly Owned Subsidiary Company - Indsil Hydro Global (FZE) (Extent of Holding - 100%)	-	25.73
4	**Other Investments - Unquoted At Fair Value through Profit or Loss**		
	8,000 Equity Shares of ₹ 10/- each in Kurumpetty HPP Ltd	0.80	0.80
	Less: Impairment Loss allowance	(0.80)	(0.80)
	8,000 Equity Shares of ₹ 10/- each in Palakkayam HPP Ltd	0.80	0.80
	Less: Impairment Loss allowance	(0.80)	(0.80)
	8,000 Equity Shares of ₹ 10/- each in Upper Poringal HPP Ltd	0.80	0.80
	Less: Impairment Loss allowance	(0.80)	(0.80)
	8,000 Equity Shares of ₹ 10/- each in Vattapara HPP Ltd	0.80	0.80
	Less: Impairment Loss allowance	(0.80)	(0.80)
	1,57,500 equity shares of ₹ 10/- each in Malayalam Communications Ltd.	20.11	20.11
5	Shares - Vimla Infrastructure (India) Pvt Ltd	0.40	0.40
	OCI FAIR VALUE	26.80	48.18
	Total	**3,996.76**	**4,043.86**

Note :
Indsil Hydro Global (FZE), Wholly owned foreign subsidiary of the Company, has been liquidated on 09.11.2021 and consequently the investment value has been written off in the books of accounts

2.03 Non Current - Other Financial Assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Unsecured considered good		
a)	**Other loans and advances (specify nature).**		
	- Electricity Charges recoverable	537.62	537.62
	- Rental Advances	19.02	24.50
	- Tax Payment Pending Adjustments	1,175.76	1,120.99
	Total	**1,732.40**	**1,683.10**

Note:

Electricity charges recoverable is the amount being a dispute on interpretation of computation in MD charges claimed by KSEB, paid by the Company under Protest during the year 2005 to 2015.

2.04 Deferred Tax Assets (Net)

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	(i) Deferred Tax Assets (Net)	876.80	146.42
	Total	**876.80**	**146.42**

Note:

Movement of deferred tax expense during the year ended March 31,2022 and March 31, 2021 are given in Note No.2.27

2.05 Other Non Current Assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	- Security Deposits	1,031.64	914.15
	Total	**1,031.64**	**914.15**

2.06 Inventories

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
a	Raw Materials and components	9,306.03	9,764.97
b	Finished goods	2,772.02	3,018.44
c	Stores and spares	50.20	68.84
d	Power - Banked Energy	1,247.51	1,034.00
	Total	**13,375.76**	**13,886.25**

2.07 Trade Receivables

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Undisputed - considered good	966.03	464.43
2	Undisputed - considered doubtful		
3	Disputed - considered good		-
4	Undisputed - considered doubtful		
		966.03	464.43
	Allowance for expected credit losses		
	Total	**966.03**	**464.43**

Trade Receivables Ageing schedule

Sr. No	Particulars	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	31.03.2022	31.03.2021
							(₹ in lakhs)	
	For FY 21-22							
1	Undisputed Trade receivables - considered good	661.74	251.15	53.15		-	966.03	
2	Undisputed Trade receivable - considered doubtful							
3	Disputed Trade receivables - considered good		-	-	-	-	-	-
4	Undisputed Trade receivables - considered doubtful							
	Total	**661.74**	**251.15**	**53.15**	**-**	**-**	**966.03**	**-**
	For FY 20-21							
1	Undisputed Trade receivables - considered good	318.13	120.74	25.55		-		464.43
2	Undisputed Trade receivable - considered doubtful							
3	Disputed Trade receivables - considered good		-	-	-	-	-	
4	Undisputed Trade receivables - considered doubtful							-
	Total	**318.13**	**120.74**	**25.55**	**-**	**-**	**-**	**464.43**

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2.08 Cash and Cash Equivalents

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Cash and Cash Equivalents		
	a) Balance with Banks		
	- In Current Accounts	90.81	253.17
	b) Cash on hand	1.98	4.39
	c) Cheques on hand	-	-
	d) Fixed Deposits maturing within 3 months	-	-
		92.79	**257.56**
2	Bank Balances other than above		
	a) Margin money	94.98	94.98
	b) Unclaimed Dividend	11.40	18.04
		106.37	113.01
	Total	**199.16**	**370.58**

2.09 Current - Other financial assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Others**		
	Balance With Government Authorities	-	63.78
	- Advance to Trade suppliers	-	3.40
	- Advance to employees	9.53	44.61
	- Other Advances	157.94	544.88
	Total	**167.47**	**656.68**

Note:

Details of Loan or Advances in the nature of Loans are granted to promoters, directors, KMPs and the related parties which are repayable on demand is given below.

Current Year	31st March, 2022	
Type of Borrower	**Outstanding**	**Percentage**
Promoter		
Directors		
KMPs		
Related Parties *	49.07	100%
	49.07	

* The amount related to outstanding of advance to Al Tamman Indsil Ferro Chrome LLC

Previous year	31st March, 2021	
Type of Borrower	**Outstanding**	**Percentage**
Promoter		
Directors		
KMPs		
Related Parties	291.33	100%
	291.33	

2.10 Current Tax Assets (Net)

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	TDS Receivable	25.09	21.67
	Total	**25.09**	**21.67**

2.11 Other Current Assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Incentives receivable	10.04	334.91
	Total	**10.04**	**334.91**

2.12 SHARE CAPITAL

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**AUTHORIZED**		
	3,43,00,000 Equity shares of ₹ 10/- Each	3,430.00	3,430.00
	2,00,00,000 Redeemable Preference Shares of ₹ 10/- each	2,000.00	2,000.00
		5,430.00	**5,430.00**
2	**ISSUED SUBSCRIBED AND FULLY PAID UP**		
	2,77,91,122 Equity shares of ₹ 10/- each	2,779.11	2,779.11
	1,50,00,000 preference shares of ₹ 10 each fully paid	1,500.00	1,500.00
	Total	**4,279.11**	**4,279.11**

The reconciliation of the number of shares outstanding is set out below:

Particulars	31.03.2022		31.03.2021	
	Number	Value (₹)	Number	Value (₹)
Equity Shares at the beginning of the year	2,77,91,122	2,779.11	2,77,91,122	2,779.11
Changes during the year				
Equity Shares at the end of the year	2,77,91,122	2,779.11	2,77,91,122	2,779.11

i) Rights, preferences & restrictions in respect of each class of shares

The Company's authorised share capital consists of two classes of shares, referred to as Equity Shares and Preference Shares, having par value of ₹ 10/- each respectively

Each holder of Equity Share is entitled to one vote per share. The preferential shareholders have preferential right over equity shareholders in respect of repayment of capital and payment of dividend

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The company has two classes of shares viz. equity shares of ₹ 10/- per share and 10% Cumulative Redeemable preference shares of ₹ 10/- each

Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitles to receive the realized value of assets of the company, remaining after the payment of all preference dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

The terms of issue of the preference shares are as follows:

The Preference Shares to be issued shall carry a fixed cumulative preference dividend of 10% (Ten percent) per annum on the capital for the time being paid-up thereon.

The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).

The preference shares issued shall be redeemable at par at any time at the option of the company but not later than October 18, 2022. The Company has sought to extend the tenure of redemption of the preference shares to October 18, 2025 subject to the requisite approval of shareholders.

ii) Details of Shareholder's holding more than 5% of shares

S. No.	Name of the Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sunmet Holdings India Private Limited	1,40,17,745	50.44%	1,40,17,745	50.44%
2	Crosimn Agencies Private Limited	16,17,000	5.82%	16,17,000	5.82%
	TOTAL	1,56,34,745	56.26%	1,56,34,745	56.26%

iii) Details of Preference Shareholder's holding more than 5% of Shares:

S. No	Name of Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	NIRMAL JAIN B	15,00,000	10%	15,00,000	10%
2	BALCHAND B	15,00,000	10%	15,00,000	10%
3	MAHAVEERCHAND B	15,00,000	10%	15,00,000	10%
4	PARAS B	15,00,000	10%	15,00,000	10%
5	ASHOK B	15,00,000	10%	15,00,000	10%
6	B AJITH JAIN	15,00,000	10%	15,00,000	10%
7	PANKAJ B JAIN	15,00,000	10%	15,00,000	10%
8	VASANT JAIN B	15,00,000	10%	15,00,000	10%
9	MOHIT JAIN P	15,00,000	10%	15,00,000	10%
10	DEEP PRAKASH M	15,00,000	10%	15,00,000	10%
		1,50,00,000		1,50,00,000	

iv) Details of Shareholding of promoters:

S. No	Name of Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sunmet Holdings India Private Limited	1,40,17,745	50.44%	1,40,17,745	50.44%
2	Crosimn Agencies Private Limited	16,17,000	5.82%	16,17,000	5.82%
2	S N Varadarajan	11,01,110	3.96%	11,01,110	3.96%
3	D Pushpa Varadarajan	5,30,698	1.91%	5,30,698	1.91%
3	Jayashree Vinod	1,83,630	0.66%	1,83,630	0.66%
4	Vinod Narsiman	1,74,322	0.63%	1,74,322	0.63%
4	Rudra Narsiman	2,718	0.01%	2,718	0.01%
5	Vishwaa Narsiman	2,718	0.01%	2,718	0.01%
	TOTAL	**1,76,29,941**	**63.44%**	**1,76,29,941**	**63.44%**

2.13 OTHER EQUITY

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Securities Premium**		
	Balance at the beginning of the year	1,910.66	1,910.66
	Additions/ (deductions) during the year	-	-
	Balance at the end of the year	1,910.66	1,910.66
2	**General Reserves**		
	Balance at the beginning of the year	2,302.60	2,302.60
	Additions/ (deductions) during the year		
	Balance at the end of the year	2,302.60	2,302.60
3	**Retained earnings**		
	Balance at the beginning of the year	3,626.07	7,370.53
	(+) Profit/(Loss) for the current year	3,262.57	(3,744.46)
	(-) Proposed Dividends	-	
	(-) Tax on Proposed Dividends *	-	-
	(-) Interim Dividend issued for Preference shares	(60.00)	-
	Balance at the end of the year	6,828.64	3,626.07
	Capital Reserve on Business Combination - IEEC	(703.27)	(703.27)
	Capital Reserve on Business Combination- SMS	(262.14)	(262.14)
4	**Other Comprehensive Income**		
	Remeasurement of the defined benefit plans		
	Balance at the beginning of the year	(28.73)	(28.73)
	OCI for Current Year	(65.88)	
	Total Comprehensive Income	(94.60)	(28.73)
	FVOCI equity instruments		
	Balance at the beginning of the year	40.26	39.92
	OCI for Current Year	0.05	0.34
	Total Comprehensive Income	40.32	40.26
	Other items of OCI		
	Balance at the beginning of the year	36.64	36.72
	OCI for Current Year	(21.43)	(0.08)
	Total Comprehensive Income	15.21	36.64
	Total of Other Comprehensive Income	**(39.07)**	**48.18**
	Closing Balance	**10,037.42**	**6,922.09**

Nature and Purpose of Reserves

Securities Premium

Securities Premium is used to record the premium on issue of equirty shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares inaccordance with provisions of the Companies Act, 2013. During the year, the reserve has been utilised amount is NIL.

General Reserves

Generl reserve is created by the Company by appropriating the balance of Retained Earnings. It is a free reserve which can be used for meeting future contingencies, creating workings capital for business operations, strengthening the financial position of the Company.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. (Refer statement of changes in equity)

Capital Reserve on Business Combination

Capital Reserve on Business Combination due to merger of Indsil Energy and Electrochemicals Pvt Ltd and Sree Mahalakshmi Smelters Pvt Ltd.

2.14 Non Current Finance Liabilities -Borrowings

Sr. No	Particulars	31.03.2022 (₹)	31.03.2021 (₹)	31.03.2022 (₹)	31.03.2021 (₹)
		Non Current		Current Maturities	
1	**Secured (Refer Note No.2.44)**				
	Term loans from Banks				
	- Rupee Loan (Refer Note No.2.16)			255.58	334.15
	- Foreign Currency Loan	-			64.43
	Term loans from Others				
	- Rupee Loan	2,304.31	3,096.35		-
	Total	2,304.31	3,096.35	255.58	398.58

The Company has availed 11 Crores Rupee term loan from Yes Bank during the year 2017 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2016 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has taken loan from Non-Banking Companies by pledge of Shares/Land.

The Company was not able to honor the payment of dues against Term Loan. Therefore the Yes bank classified the accounts as non as NPA.

2.15 Non Current Liabilities - Provisions

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Provision for Gratuity (Refer Note No.2.33)	286.19	194.67
2	Provision for Electricity demands	1,109.49	1,109.49
	Total	**1,395.69**	**1,304.17**

Information about Provision for Electricity demands

In the past, the Kerala State Electricity Board has raised certain demands on the Company relating to payment of electricity charges and other charges on account of working of the hydro electric power division of the Company. These charges were more than that warranted for, when specifically considering the working agreement between the Company and KSEB for operation of the hydro electric power plant. These demands remain in dispute and have been challenged by the Company in various forums including the Hon'ble High Court of Kerala.Such matters remain sub - judice and in some cases, where necessary, pending judgement, adequate provisions have been made.The Company is confident of positive redressal by the appropriate forums where no provisions has been made and in cases where the Company has deposited sums/advances, pending judgements, it is expected that those sums would be refunded.

2.16 Current Finance Liabilities -Borrowings

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Secured (Refer Note No.2.44)		
1	Working Capital facilities from Banks		
	- In Rupee	8,098.27	10,472.67
2	Current maturities of Long term Borrowings	255.58	398.58
	Total	**8,353.85**	**10,871.25**

Working capital facilities from IDBI Bank Ltd, RBL Bank, Yes Bank Ltd,The Federal Bank Ltd, Karnataka Bank Ltd, and State bank of India have pari passu first charge on the entire current assets of the Company and pari passu second charge on entire fixed assets of the Company. Working capital facilties from State Bank of India, RBL Bank, Yes Bank and Federal Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Managing Director to the extent of limit sanctioned.

Working Capital facitilities from Banks are repayable on demand and carries sactioned interest rates varying from 10.65% to 14.10% p.a.

Yes Bank, RBL, Karnataka Bank and SBI Classified the accounts as non-standard since the Company was unable to remit the interest on working capital borrowings owing to distruption in the production caused due to Covid which lead to mismatch in the cash flow.

The Company is in the processing of Re-structuring with Yes Bank, RBL , KBI and SBI has sanctioned an OTS.

2.17 Current Finance Liabilities - Trade Payables

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Outstanding dues of micro and small enterprises	1.94	32.44
2	Outstanding dues other than (1) above	1,285.18	3,183.08
	Total	**1,287.13**	**3,215.52**

Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information avaiable with the Company and the required disclosures are given below:

S. No	Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	31.03.2022 (₹ in Lakhs)	31.03.2021 (₹ in Lakhs)
	For FY 21-22						
1	MSME	1.94				1.94	
2	Others	963.89	321.30			1,285.18	
3	Disputed Dues - MSME		-	-	-	-	-
4	Disputed Dues - Others					-	
	Total	**965.83**	**321.30**	**-**	**-**	**1,287.13**	**-**
	For FY 20-21						
1	MSME	32.44					32.44
2	Others	2,387.31	795.77				3,183.08
3	Disputed Dues - MSME		-	-	-	-	-
4	Disputed Dues - Others						
	Total	**2,419.75**	**795.77**	**-**	**-**	**-**	**3,215.52**

2.18 Other Current Liabilities

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Unclaimed Dividends *	36.57	18.91
2	Accrued Employee benefits	113.64	111.79
3	Statutory liabilities	31.78	678.92
4	Other Payables	1,039.77	912.64
	Total	**1,221.76**	**1,722.26**

* There is no amount due and outstanding to be credited to investor Education and Protection Fund.

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2.19 REVENUE FROM OPERATIONS

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Sale of Products:		
	- Smelter	20,489.12	5,859.24
	- Power	2,335.64	1,186.19
	- Sale of Raw Materials	350.79	211.27
		23,175.56	7,256.69
2	Interdivisional Sale of Power	(2,335.64)	(1,186.19)
3	**Other Operating Income**		
	Export Incentives	3.53	32.23
		20,843.45	6,102.73
4	**Detail of Revenue from operations**		
	Silico Manganese & Manganese Ore	20,839.92	6,070.50
	Export Incentives	3.53	32.23
	Total	**20,843.45**	**6,102.73**

2.20 Other Income

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Interest Income	0.83	37.68
2	Profit on Sale of Assets/Investments	992.03	0.01
3	Scrap & Waste sales	212.18	109.45
4	Rental Income	1.37	0.90
5	Rebate on Electricity Demand	-	9.80
6	Miscellaneous Income	0.09	72.24
	Total	1,206.51	230.08

2.21 Cost of Materials Consumed

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
a)	**Consumption of Raw Materials**		
1	Manganese Ore	8,044.59	2,908.86
2	Carbon reducers	2,988.68	2,795.16
3	Quartz	96.64	49.66
4	Carbon Paste	397.54	94.10
5	Others	15.34	5.85
	Sub Total	**11,542.78**	**5,853.63**
1	Consumption as Exceptional	-	(2,912.12)
	Total	**11,542.78**	**2,941.51**

2.22 Changes in inventories of finished goods, work in progress and Stock-in- trade

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Finished Goods: Opening Stock	3,018.44	3,419.68
	Less: Closing Stock	(2,772.02)	(3,018.44)
		246.42	401.24
2	Hydro Banked Units : Opening Stock	1,034.00	43.84
	Less: Closing Stock	(1,247.51)	(1,034.00)
		(213.51)	(990.16)
	Total	**32.91**	**(588.92)**

2.23 Employee benefits expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Salaries and wages	1,192.26	740.44
2	Contribution to provident Fund & other Funds	43.57	33.18
3	Provision for Gratuity & Earned Leave Encashment	54.65	27.96
4	Staff welfare expenses	36.66	18.95
	Total	**1,327.14**	**820.53**

2.24 Finance Costs

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Interest expense	1,553.78	1,900.77
2	Other Borrowing Costs	18.34	49.07
	Total	**1,572.12**	**1,949.84**

2.25 Depreciation and amortization expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Depreciation and amortization expense	509.15	692.21
	Total	**509.15**	**692.21**

2.26 Other expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Power & Fuel (Net)	3,064.28	1,127.19
2	Packing, Freight & Forwarding	371.81	131.06
3	Communication Expenses	16.26	13.66
4	Directors Sitting Fees	1.05	0.68
5	Travelling Expenses	15.29	12.24
6	**Repairs & Maintanance :**		
	Plant & Machinery	275.18	18.47
	Buildings & Others	166.93	45.07
7	Insurance Expenses	36.77	26.10
8	Legal Expenses	17.91	10.09
9	Professional Charges	79.08	50.18
10	Security service charges	46.45	57.22

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
11	Printing and Stationery	2.55	3.06
12	Auditors Remuneration		
	For Audit	5.50	5.50
13	Rent	25.00	14.04
14	Rates & Taxes	86.68	0.16
15	Subscription	3.36	1.12
16	Donation	8.61	6.75
17	Sales Promotion expenses	-	-
18	Sales Commission & Discount	31.32	60.73
19	Transportation charges	50.92	62.00
20	Exchange Fluctuation (Net)	19.69	(14.55)
21	Loss on Sale of Assets	12.85	
22	REC Certificate Purchase	94.21	
23	Miscellaneous Expenses	101.94	71.63
	Total	**4,533.67**	**1,702.39**

Payments to the Auditors (Excluding taxes)

Particulars	31.03.2022 (₹ in Lakhs)	2020-21 (₹ in Lakhs)
As Auditor - Statutory Audit and Limited Reviews	5.50	5.50
For Certification and other matters	2.00	2.00
For reimbursement of expenses	0.10	0.22
	7.60	**7.72**

2.27 Tax Expenses - Current tax

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Current tax		
1	Current tax on profits for the year	-	-
	Deferred tax	(730.38)	(352.39)
1	Deferred tax adjustments		
2	Income tax related to earlier year		
	Total	**(730.38)**	**(352.39)**

The Income tax expenses for the year can be reconcilied to the accounting profit as follows - AS12

S. No	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Profit beflore tax from continuing operations	2,532.19	(4,096.85)
2	Income tax expenses	-	-
3	Effect of expenses that are not deductible in determinig taxable profit	-	-
4	Total Income tax expenses	-	-

2.28 Changes in Income Tax Rate

For the purpose of calculating the tax expenses from the Financial year 2020-21 the Company has considered the tax rate prescribed under the section 115BAA of the Income Tax Act, 1962. i.e., effective rate of 25.17%.

2.29 Income tax recognised in other comprehensive income

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Remeasurement of defined benefit obligation	(65.82)	0.34
2	Income tax recognised in other comprehensive Income	(21.43)	(0.08)
		(87.25)	**0.26**

2.30 Movement of deferred tax expense during the yar ended March 31,2022

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Property, plant and equipment and Intangible Assets	(934.40)	311.35	-	(623.05)
Expenses allowable on payment basis under the Income Tax Act	1,080.82	419.04		1,499.86
Other temporary differences		(704.59)		
Lease Liability				
	146.42	**730.39**	**-**	**876.81**

Movement of deferred tax expense during the yar ended March 31,2021

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Property, plant and equipment and Intangible Assets	(934.40)	-		(934.40)
Expenses allowable on payment basis under the Income Tax Act	728.44	352.39	(0.08)	1,080.82
Other temporary differences		-		
Lease Liability				
	(205.96)	**352.39**	**(0.08)**	**146.42**

2.31 EARNING PER EQUITY SHARE

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2022 (₹ in lakhs)
1	Net Profit after Tax	3,262.57	(3,744)
2	Weighted average number of equity shares	2,77,91,122	2,77,91,122
3	(Face Value of ₹ 10 each)		
4	Basic EPS (₹)	11.74	(13.47)
5	Diluted EPS (₹)	11.74	(13.47)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

INDSIL

NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.3.2022

1. Company Overview

Indsil Hydro Power and Manganese Ltd (" the Company") is engaged in manufacturing Low/Medium/High Carbon Silico Manganese - Key ingredients used in Steel and Stainless steel Industry. Headquarter in Coimbatore (India), Indsil has LCSM Smelters in India intergrated with Captive hydel power Plant.

The Company is a Public Limited Company and listed on the Bombay Stock Exchange

Significant accounting policies

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS ') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

2.2 Basis of preparation

(i) Historical Cost Convention

These financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are obser vable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Functional and presentational currency

These financial statements are presented in Indian Rupee (INR) which is also the functional currency.

(iv) Rounding off amounts

All amounts disclosed in the financial statements have been rounded off to the nearest rupees in Lakhs, as per the requirements of Schedule III of the Act, unless otherwise stated.

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make ju d g e m e nts, esti m ates a n d a ssu m pti o ns th at affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

In particular, following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in standalone financial statements:

a. Assessment of useful life of property, plant and equipment and intangible asset – refer below note 2.5.

b. Recognition and estimation of tax expense including deferred tax – refer note 2.27

c. Estimation of obligations relating to employee benefits: key actuarial assumptions – refer note 2.33

d. Fair value measurement refer above note 2.2 (ii)

e. Recognition and measurement of provision and contingency – refer note 2.32

f. Estimated impairment of financials Assets-refer below note.2.11

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Company has deemed its operating cycle as twelve months for the purpose of current/non- current classification.

2.4 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

a) The Company recognizes revenue from sale of goods when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when it no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sale of goods is recognised net of taxes collected on behalf of third parties.

   The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

b) Inter unit transfers are adjusted against respective expenses.

c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate ('EIR') applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

d) Dividend income from investments in equity shares and mutual funds is recognised when the right to receive the dividend is established.

e) Export Incentives are recognised as per schemes specified in foreign Trade Policy, as amended from time to time, on accrual basis in the year when right to receive as per terms of the scheme is established and are accounted to the extent there in no uncertainty about its ultimate collection.

f) Insurance Claim is accrued in the year when the right to receive is established and is recognised to the extent there is no uncertainty about its ultimate collection.

2.5 Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the cost of acquisition of the asset. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Upon transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2016 measures as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

The Company has adopted the useful life as specified in Schedule II to the Act, except for certain assets for which the useful life has been estimated based on the Company's past experiences in this regard, duly supported by technical advice. Accordingly, the useful lives of tangible assets of the Company which are different from the useful lives as specified by Schedule II are given below:

Buildings	-	30 Yrs
Plant & Machineries	-	20 Yrs
Furniture & Fittings	-	10 Yrs
Vehicles	-	8 Yrs
Office Equipments	-	5 Yrs
Computers & Electronic Devices	-	3 Yrs

Refer Note 2.01 for detailed classification of the Company's assets under various heads.

2.6 Intangible Assets

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives, if any other method which reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity cannot be determined reliably. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

For transition to Ind AS, the Company had elected to continue with the carrying value of all its intangible assets recognised as at the transition date, measured as per the previously applicable Indian GAAP and used that carrying value as its deemed cost as at the transition date.

2.7 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets are dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Derecognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

Financial guarantee contracts

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2.10 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated as hedging instrument.

2.11 Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.12 Investment in Subsidiaries and Associate

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in subsidiaries and associate are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

For transition to Ind AS, the Company had elected to continue with the carrying value of its investment in subsidiaries recognised as at the transition date, measured as per the previously applicable Indian GAAP and used that carrying value as its deemed cost as at the transition date.

2.13 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to control the use of the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company has applied Ind AS 116 from 1st April, 2019 onwards using the modified retrospective approach.

a) Arrangements where the Company is the lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight- line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments.

For short-term and low value leases are classified as operating leases. Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

b) Arrangements where the Company is the lessor

Rental income from operating leases is generally recognised on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.14 Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e. INR) at exchange rates at the dates of the transactions. Monetar y assets and liabilities denominated in foreign currencies at the reporting date, except for those derivative balances that are within the scope of Ind AS 109 – "Financial Instruments", are translated to the functional currency at the exchange rate at that date and the related foreign currency gain or loss are recognised in the Statement of Profit and Loss.

Foreign exchange differences re g ard e d as an adjustment to interest costs are recognised in the Statement of Profit and Loss. Realised or unrealised gain in respect of the settlement or translation of borrowing is recognised as an adjustment to interest cost to the extent of the loss previously recognised as an adjustment to interest cost.

2.15 Employee benefits

a) Employee benefits in the form of Provident Fun d, Pe nsi o n Fun d, S up e rannu ati o n Fun d and Employees State Insurance are defined contribution plans. The Company recognizes contribution payable to a defined contribution plan as an expense, when an employee renders the related service. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the contribution payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the

contribution due for services received before the balance sheet date, the excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity liability is defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements of the net defined benefit liability/asset comprise:

i) actuarial gains and losses;

ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset; and

iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.

Remeasurements of net defined benefit liability/asset are charged or credited to other comprehensive income.

c) Compensated absences is other long term employee benefit. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

2.16 Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases, the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which those deductible temporary differences and tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.17 Provisions, Contingent Liabilities and Contingent

Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

(b) a present obligation that arises from past events but is not recognized because:

(i) it is not probable that an out flow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized but are disclosed in notes.

2.18 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant related to expenses are deducted in reporting the related expense.

2.19 Non-current assets (or disposal groups) classified as held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs of disposal. Non-current assets held for sale are not depreciated or amortised.

2.20 Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.21 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated 23 March 2022, has made certain amendments in Companies (Indian Accounting Standard Rules), 2015. Such amendments shall come into force with effect from 1 April 2022, but do not have a material impact on the financial statements of the Company.

(i) Ind AS 103: Business combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

This Company does not expect the amendment to have any significant impact in it's Financial Statements.

(ii) Ind AS 37: Provisions, Contingent Liabilities, and Contingent Assets

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Since Company's current practice is in line with the clarifications issued, there may not be material effect on the financial statements of the Company.

(iii) Ind AS 109: Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. Since Company current practice is in line with the clarifications issued, there may not be material effect on the financial statements of the Company.

(iv) Ind AS 16: Property, Plant and Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on the financial statements.

2.32 CONTINGENT LIABILITIES

S.No.	Particulars	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
a)	Guarantees issued by Banks on behalf of the Company (The above Guarantee is given to KSEB as CCD)	129.49	129.49

b) The Case pertains to levy of electricity duty ₹ 6209 Lakhs on the self generation of Unit between year 2005 to 2015. It is also questioned on the power of the State on the levy of duty on self generation. The case is in the High Court and the Company has got stay.

c) There are certain due's (including Interest) relating to KVAT, ₹ 771.03 Lakhs for the year 2012-13, ₹ 468.34 lakhs for the FY 2013-14, ₹ 3258.10 lakhs for the FY 2014-15 and ₹ 348.33 lakhs for the FY 2015-16.

Financial risk management

Financial risk factors

The Company 's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans and advances, investment in equity instruments and mutual funds, trade receivables and cash and bank balances that arise directly from its operations. The Company also enters into derivative transactions to hedge foreign currency and interest rate risks and not for speculative purposes. The Company is exposed to market risk, credit risk and liquidity risk and the Company's senior management oversees the management of these risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

Currency risk

Foreign currency risk is the risk that fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. For mitigating exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on the risk perception of the management. The Company has entered into foreign currency forward contracts and cross currency swap contracts.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Any changes in the interest rates environment may impact future cost of borrowings. To manage this, the Company has entered into interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, letters of credit and working capital limits.

2.33 DISCLOSURE ON "EMPLOYEE BENEFITS" AS PER IND AS 19:

Defined Benefit Plan:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employee last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The following tables sets out the details of amount recognised in the financials statements in respect of employee benefit schemes:

Particulars	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
Present value of obligations at the beginning of the year	194.67	169.56
Business Combination	-	-
Current service cost	12.55	10.42
Interest cost	13.10	11.41
Re-Measurement (Gains) Losses:		
Actuarial gains and losses arising from change in Demographic assumption		
Actuarial gains and losses arising from change in financial assumption	65.88	3.28
Actuarial gains and losses arising from experience adjustment		
Benefits paid		
Present Value of obligations at the end of the year	**286.19**	**194.67**
Changes in the fair value of planned assets		
Fair Value of plan assets at beginning of the year		
Interest Income		
Return on plan assets		
Contributions from the employer		
Benefits paid		
Fair Value of plan assets at end of the year		
Amount recognised in the Balance Sheet		
Projected benefit obligation at the end of the year	**286.19**	**194.67**
Fair value of plan assets at the end of the year		
Funded status of the plans - Liability recognised in the balance sheet	286.19	194.67
Components of defined benefit cost recognised in the profit or loss/Other comprehensive Income		
Comprehensive Income		
Current service cost	12.55	10.42
Net Interest Expenses	**13.10**	**11.41**
Components of defined benefit cost recognised in other comprehensive Income		
Comprehensive Income		
Re-Measurement on the net defined benefit liability:		
Actuarial gains and losses arising from change in financial assumption	65.88	3.28
Actuarial gains and losses arising from experience adjustment		
Return on plan assets		
Net cost in other Comprehensive Income	61.76	(4.11)

2.34 SEGMENT REPORT

Primary Segments (Business Segments)	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
1. Segment Revenue		
a. Smelter	22,049.96	6,332.82
b. Power	2,335.64	1,186.19
	24,385.60	**7,519.00**
Less : Intersegment Revenue	2,335.64	1,186.19
Net Revenue	**22,049.96**	**6,332.82**
2. Segment Results		
(Profit / Loss before Financial charges & Tax)		
a. Smelter	6,396.47	(3,936.18)
b. Power	2,241.47	1,789.17
	8,637.93	**(2,147.01)**
Add / Less : Unallocable Income/Expenses		
Operating Profit	8,637.93	(2,147.01)
Less : Financial Charges	1,572.12	1,949.84
Total Profit / (Loss) before Tax and extraordinary items	**7,065.81**	**(4,096.85)**
3. Capital Employed		
(Segment Assets - Segment Liabilities)		
a.Smelter	11,433.55	11,488.62
b.Power	3,031.17	4,113.11
	14,464.72	**15,601.73**

2.35 RELATED PARTY DISCLOSURES

a) Wholly Owned Subsidiary	Indsil Energy Global (FZE)., UAE
b) Other Related Entity	Sunmet Holdings India Private.Ltd , Vira Holdings LLP
c) Key Management Personnel	Sri. Vinod Narsiman - Managing Director
	Sri. K. Ramakrishnan - Whole Time Director
	Sri.R.Murali(Chief Financial Officer)
	Ms.Rajkumari R (Company Secretary - W.E.F Dec'21)
	Smt.P.Krishnaveni (Company Secretary - Upto Sep'21)
d) Relatives of Key Management Personnel	Sri. S.N.Varadarajan (Father of Sri Vinod Narsiman)
	Smt. D.Pushpa Varadarajan (Mother of Sri Vinod Narsiman)
	Sri. Vishwaa Narsiman (S/o Sri.Vinod Narsiman)
	Sri. Rudra Narsiman (S/o Sri.Vinod Narsiman)
e) Joint Venture	Al - Tamman Indsil Ferro Chrome LLC, Sultanate of Oman

Particulars	Wholly Owned Subsidiary ₹ in lakhs	Joint Venture ₹ in lakhs	Other Related Entity ₹ in lakhs	Key Management Personnel ₹ in lakhs	Relatives of Key Management Personnel ₹ in lakhs
Current Year - (31.03.2022)					
Purchase of Raw Material			3,937.44		
Rent paid			17.40		
Rent Receipts			1.37		
Directors' Sitting Fees				0.55	
Managerial Remuneration				25.63	
Commission				50.67	
Balances outstanding	7.13	41.95	(168.26)	(105.84)	(157.46)
Previous Year- (31.03.2021)					
Sales of Raw Material *					
Purchase of Raw Material			2,021.77		
Sales of Finished Goods *			585.61		
Rent paid			9.90		
Rent Receipts			0.90		
Directors' Sitting Fees				0.35	
Managerial Remuneration				18.29	
Balances outstanding	237.82	44.78	(804.23)	(55.17)	

* Sale and Purchase of Raw material is carried out between related entities at arms length basis adopting fair accounting standards with the prior approval of the audit committee.

2.36	MANAGING DIRECTOR'S REMUNERATION	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Salary	4.50	
	Commission	50.64	
	Perquisites		
		55.14	

2.37	WHOLE TIME DIRECTOR REMUNERATION	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Salary	5.04	4.49
	Commission	-	-
	Perquisites	0.16	0.14
		5.21	4.63

2.38	Computation of Commission Payable To Managing Director	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Net profit as per Sec.198 of the Companies Act.	2,532.19	
	Commission payable to Managing Director - 2% of Net profits	50.64	

	Particulars	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
2.39	Value of imports (on CIF basis)		
	Raw Materials		
2.40	Expenditure in foreign currency:		
	Travelling		
	Professional & Consultancy		
	Subscription & Others		0.11
2.41	Earnings in foreign exchange (on FOB basis)	321.26	1,015.97

2.42 The Company has entered into operating lease, having a lease period ranging from 1-5 years, with an option to renew the lease. The future minimum lease payments are as follows:

₹ in lakhs

Particulars	31.03.2022	31.03.2021
not later than one year	19.20	17.40
later than one year and not later than five years	111.40	78.75

2.43 Disclosure of ratios as per Schedule III of the Companies Act, 2013

Sr. No	Ratio	Numerator	Denominator	FY 2021-22 Ratio	FY 2020-21 Ratio	% of vari-ance	Reasons of variance	Units
1	Current Ratio	Current Assets	Current Liabilities	1.36	1.00	0.36	Not Significant	Times
2	Debt - Equity Ratio	Total Debt (Including lease liabilities	Shareholders Equity	0.74	1.25	(0.50)	Not Significant	Times
3	Debt Service Cover-age Ratio	Earnings available for debt service	Debt Service	2.92	(0.47)	3.39	Not Significant	Times
4	Return on Equity Ratio	Net Profit after Taxes-Preference dividend	Average Shareholder's equity	11.52	(13.47)	25.00	Good Profit earned	Percent
5	Inventory Turnover Ratio	Sales of Goods	Average Inventory	1.56	0.44	1.12	Not Significant	Times
6	Trade Receivables turnover Ratio	Credit Sales	Average Trade Receivables	16.92	27.78	(10.86)	Not Significant	Times
7	Trade Payables turnover Ratio	Credit Purchase	Average Trade Payables	44.58	200.50	155.92)	Good Profit earned	Times
8	Net Capital turnover Ratio	Net Sales	Working Capital	2.50	0.56	1.93	Not Significant	Times
9	Net Profit Ratio	Net Profit after Taxes	Net Sales	0.16	(0.61)	0.77	Not Significant	Percent
10	Turnover on Capital Employed	Earnings before interest & Tax	Capital Employed	0.28	(0.14)	0.42	Not Significant	Percent
11	Return on Investment	Income generated from investments	Time weighted average invest-ments	NA	NA			Percent

2.44 Changes in Liabilities arising from Financing activities

Particulars	31.03.2022 (₹ in Lakhs)	31.03.2021 (₹ in Lakhs)
(i) Long Term Borrowings		
Opening balance	3,096.35	3,552.33
Amount borrowed during the year		
Amount repaid during the year	792.04	455.97
Amortised cost adjustment		
Closing balance	2,304.31	3,096.35
(ii) Short-term borrowings		
Opening balance	10,871.25	9,380.39
Amount borrowed/(repaid) during the year (net)	(2,517.41)	1,490.87
Foreign Exchange difference		
Closing balance	8,353.85	10,871.25

2.45 Other Statutory Information:

(i) The Group does not have Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Th e Group has not traded or invested in crypto currency or virtual currency during the financial year.

(iii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(such as search, survey or any other relevant provisions of the Income Tax Act, 1961.

(iv) The Company has not provided any guarantee or security / granted loans and advances in nature of loans, secured or unsecured to Companies, firms, LLP or Other Parties.

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

INDSIL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDSIL HYDRO POWER AND MANGANESE LIMITED

Report on the Consolidated IND AS Financial Statements

We have audited the accompanying Consolidated IND AS financial statements of INDSIL HYDRO POWER AND MANGANESE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its Jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st march 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated IND AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by The Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter Description	How the matter was addressed
A. Assessment of loans outstanding with the Bank and other parties: The company has a Term loan of 2,559.89 lakhs (among which 255.58 is short term and 2,304.31 is long term) (refer note no 2.14). It also has working capital loan of 8,098.27 lakhs with various banks (refer note no 2.16). In view of significance and impact on financial statements we have identified it as a key audit matter.	We have applied following audit procedures in this regard: • Obtained independent balance confirmations in respect of all the borrowings with the lender (banks / financial institutions etc.) from the management and compared the balances obtained to the books of the accounts. • Obtain a schedule of short term and long-term borrowings (including debts outstanding at the end of the previous year, as well as any new debt or renewal of debt) showing beginning and ending balances and borrowings taken and repaid during the year (refer note no.2.44). • Review subsequent transactions after the end of the reporting period to determine if there are unrecorded liabilities at year-end and the transactions are recorded in the relevant period.

Other Information

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards [IND AS] specified under Section 133 of the act. The respective Board of Directors of the companies included in the Group and its Jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for assessing the ability of the Group and of its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of the group and its jointly controlled entity.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of a subsidiary incorporated outside India whose financial statements (before eliminating intercompany balances) reflects total assets of -Rs.87.35 Lakhs and total net profit/(loss) after tax Nil as at March 31, 2022, total revenue (before eliminating intercompany transactions) Nil, as considered in the consolidated financial statements. The consolidated financial results also include the share of profit of the joint venture (Al Tamman Indsil Ferro Chrome LLC) amounting to Rs.6297.25 Lakhs accounted using the Equity method for the year ended March 31, 2022. These financials information have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated IND AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the Wholly owned subsidiary and Joint Venture, are based solely on reports of other auditors.

Indsil Hydro Global (FZE), subsidiary of the Holding company Indsil Hydro Power and Manganese Ltd has been liquidated on 9th November 2021.The consolidated financial statements includes the unaudited financial statements of the liquidated subsidiary, whose financial statements reflect total assets of Rs. nil as at March 31, 2022, total revenue nil, total net profit/(loss) after tax of Rs. (2.38) lakhs, for the year from April 1, 2021 to March 31, 2022, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated IND AS financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated IND AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement Cash Flow and the consolidated statement of changes in equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated IND AS financial statements.

   (d) In our opinion, the aforesaid consolidated IND AS financial statements comply with the Indian Accounting Standards [IND AS] specified under Section 133 of the Act.

   (e) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our Report in “Annexure A.”

   (f) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated IND AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

      ii. The Company has no Derivative contracts

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

   (h) With respect to the matters specified in paragraphs 3(xxi) of the Companies (Auditor’s Report) Order, 2020 (the “Order”/“CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and the respective auditors of the subsidiaries included in the Consolidated INDAS financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928
UDIN: 22224928AJQNDD9010

Place: Coimbatore
Date: 26.05.2022

INDSIL

Annexure - A to the Independent Auditors' Report

Annexure referred to in paragraph 1(e) under the heading "Report on other legal and regulatory requirements" of our report of even date.

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

In conjunction with our audit of the Consolidated IND AS Financial Statements of the Company as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of Indsil Hydro Power and Manganese Limited (hereinafter referred to as "the Holding Company").

Management's Responsibility for Internal Financial Controls

The respective Management of the Holding company and its Subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Holding Company. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, 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 control system over financial reporting of the aforesaid entities.

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 Holding 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 31st March 2022, based on the internal control over financial reporting criteria established by the respective 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 **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928
UDIN: 22224928AJQNDD9010

Place: Coimbatore
Date: 26.05.2022

INDSIL

Consolidated Balance Sheet as at March 31, 2022

Sl. No	PARTICULARS	Note No.	As at 31.03.2022 ₹ in Lakhs		As at 31.03.2021 ₹ in Lakhs	
I.	**ASSETS**					
1.	**Non Current Assets**					
	(a) Property, Plant and Equipment	2.01	6,374.64		8,763.01	
	(b) Capital Work-in-progress		120.08		120.08	
	(c) Other Intangible Assets		3.39		5.63	
	(d) Financial Assets					
	(i) Investments	2.02				
	a) Investment in subsidiaries		-		-	
	b) Other Investments		3,959.05		68.68	
	(ii) Other financial assets	2.03	1,732.40		2,597.25	
	(e) Deferred Tax Assets (Net)	2.04	876.80		146.42	
	(f) Other Non Current Assets	2.05	1,031.64		-	
			-	**14,098.00**	-	**11,701.07**
2	**Current Assets**					
	(a) Inventories	2.06	13,375.76		13,886.25	
	(b) Financial Assets					
	(i) Investments		-		-	
	(ii) Trade Receivables	2.07	966.03		792.59	
	(iii) Cash and Cash Equivalents	2.08	92.79		273.77	
	(iv) Bank Balances other than (iii) above	2.09	106.37		113.01	
	(v) Other financial assets	2.10	167.47		495.17	
	(c) Current Tax Assets (Net)	2.11	25.09		21.67	
	(d) Other Current Assets	2.12	10.04		334.91	
			-	**14,743.55**	-	**15,917.38**
	TOTAL ASSETS			**28,841.55**		**27,618.45**
	EQUITY AND LIABILITIES					
1.	**Equity**					
	(a) Equity Share Capital	2.13	4,279.11		4,279.11	
	(b) Other Equity	2.14	10,087.06		3,119.59	
			-	**14,366.17**	-	**7,398.70**
2.	**Non Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	2.15	2,304.31		3,096.35	
	(ii) Trade Payables					
	(iii) Others					
	(b) Provisions	2.16	1,395.69		1,304.17	
	(c) Deferred Tax Liabilities (Net)					
	(d) Other Non Current Liabilities					
			-	**3,700.00**	-	**4,400.52**
3	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	2.17	8,353.85		10,871.25	
	(ii) Trade Payables	2.18				
	a) Outstanding dues of micro and small enterprises		1.94		32.44	
	b) Outstanding dues other than (a) above		1,197.83		3,183.08	
	(iii) Other Financial Liabilities					
	(b) Other Current Liabilities	2.19	1,221.76		1,722.26	
	(c) Provisions	2.20	-		10.19	
			-	**10,775.38**	-	**15,819.22**
	TOTAL EQUITY AND LIABILITIES			**28,841.55**		**27,618.45**

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

INDSIL

Consolidated Statement of Profit and Loss for the Year ended March 31st, 2022

Sl. No.	PARTICULARS	Note No.	YE 31.03.2022 ₹ in Lakhs		YE 31.03.2021 ₹ in Lakhs	
	Income					
I	Revenue from operations	2.21	20,843.45		6,102.73	
II	Other Income	2.22	1,206.51		230.08	
III	**Total Income (I + II)**			**22,049.96**		**6,332.82**
IV	Expenses					
	Cost of Materials Consumed	2.23	11,542.78		2,941.51	
	Purchases of Stock in Trade		-		-	
	Changes in inventories of finished goods, work in progress and Stock-in- trade	2.24	32.91		(588.92)	
	Employee benefits expense	2.25	1,327.14		821.06	
	Finance Costs	2.26	1,573.85		1,950.12	
	Depreciation and amortization expense	2.27	509.15		692.21	
	Other expense	2.28	4,534.32		1,711.55	
	Total Expenses			**19,520.15**		**7,527.54**
V	Profit before exceptional items and tax (III-IV)			2,529.80		(1,194.72)
VI	Exceptional Items			-		2,912.12
	Share of Profit of Joint Venture accounted for using equity method			6,297.25		(922.04)
VII	Profit before tax (V-VI)			8,827.05		(5,028.88)
VIII	**Tax expense:**	**2.29**				
	(1) Current tax		-		-	
	(2) Deferred tax		(730.38)		(352.39)	
			-	**(730.38)**	**-**	**(352.39)**
IX	Profit for the period from continuing operations (VII - VIII)			9,557.44		(4,676.50)
X	Profit/(Loss) from Discontinued Operations					
XI	Tax Expense of Discontinued Operations					
XII	Profit/(Loss) from Discontinued Operations after tax (X - XI)			-		-
XIII	Profit for the period (IX + XII)			9,557.44		(4,676.50)
XIV	Other Comprehensive Income					
	A (i) Items that will not be reclassified to Profit or Loss					
	Remeasurement of the defined benefit plans			(65.88)		
	Changes in fair value of FVOCI equity instruments			0.05		0.34
	(ii) Income tax relating to Items that will not be reclassified to Profit or Loss			(21.43)		-
	B (i) Items that will be reclassified to Profit or Loss					
	(ii) Income tax relating to Items that will be reclassified to Profit or Loss					(0.08)
XV	Total Comprehensive Income for the period (XIII + XIV)			9,470.19		(4,676.23)
XVI	Profit attributable to :					
	Owners of the company			9,557.44		(4,676.50)
	Non- Controlling Interest			-		-
				9,557.44		(4,676.50)
	Owners of the company			9,470.19		(4,676.23)
	Non- Controlling Interest			-		-
				9,470.19		(4,676.23)
XVI	**Earnings per equity share:**	2.30				
	(1) Basic			34.39		(16.83)
	(2) Diluted			34.39		(16.83)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

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CONSILDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

S.No.	Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
		₹ in Lakhs	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit / (loss) before tax	8,827.05	(5,028.88)
	Adjustments for		
	Interest Receipts	(0.83)	(37.68)
	Depreciation	509.15	692.21
	Financial charges & Interest	1,573.85	1,950.12
	Profit/Loss on sale of Investments	(992.03)	0.01
	Provision for Employee Benefits	(113.64)	(111.79)
	Other non operating income	(0.09)	(72.24)
	OCI items + tax there on	(87.25)	0.26
	Other Non - Cash Items	(5,788.87)	1,710.30
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**3,927.34**	**(897.69)**
	Adjustments for changes in		
	Current Assets:		
	Inventories	510.49	11,411.74
	Trade receivables	(173.44)	4,282.62
	Other advances	327.70	492.23
	Other Current Assets	324.87	107.43
	Current Tax Assets	(3.42)	(3.25)
	Trade Payables	(2,015.75)	(1,083.62)
	Other current liabilities	(899.07)	(4,221.34)
	Short term provisions	(10.19)	8.06
	Cash generated from operations	1,988.53	10,096.20
	Less: Income Tax		
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**1,988.53**	**10,096.20**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	1,881.47	31,033.83
	Profit/ (Loss) on sale of investments	992.03	(0.01)
	Sale of Investments	194.39	194.39
	Other non operating income	0.09	72.24
	Interest received	0.83	37.68
	investment adjusted JV	(3,890.37)	(3,923.73)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(821.55)**	**27,414.41**

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD..)

S.No.	Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
		₹ in Lakhs	
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Decrease in Long term Loan and Advances	(166.80)	201.44
	Increase/(Decrease) in Long term Borrowings	(536.46)	(1,893.24)
	Increase/(Decrease) in Other non-current liabilities	(91.52)	(8,698.23)
	Increase/(Decrease) in other bank balances (non cash equivalents)	6.64	121.46
	Increase/(Decrease) in long term provisions	91.52	25.12
	Financial Charges & Interest	(1,573.85)	(1,950.12)
	Increase/(Decrease) in deferred tax	730.38	(352.39)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(1,540.09)**	**(12,545.97)**
	NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(373.11)**	**24,964.64**
	Cash and Cash Equivalents as on 01.04.2021 (Opening Balance)	**(10,085.89)**	**(35,050.52)**
	Cash and Cash Equivalents as on 31.03.2022 (Closing Balance)	**(10,459.00)**	**(10,085.89)**

Note :

i) Cash and cash equivalents included in the cash flow statement comprise the following Balance sheet figures:

	31.03.2022	31.03.2021
Cash & Bank Balances	199.16	386.79
Liquid Investments	-	-
Short Term borrowings	(10,658.16)	(10,472.67)
	(10,459.00)	(10,085.89)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

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Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

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Statement of Changes in Equity for the Year ended 31st March 2022

A) Equity Share Capital

For the year ended 31st March 2022

Balance as at 01st April 2021	Changes in equity share capital due to prior errors	Restated balance as at 01 April 2021	Changes in equity share capital during the year	Balance as at 31st March 2022
4,279.11				4,279.11

For the year ended 31st March 2021

Balance as at 01st April 2020	Changes in equity share capital due to prior errors	Restated balance as at 01 April 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
4,279.11				4,279.11

B) Other Equity

Particulars	Reserves & Surplus						
	Securities Premium Reserve	General Reserve	P&L / Surplus	Capital Reserve	Exchange Flutuation Reserve	OCI	Total
Balance as at 01.04.2020	1,910.66	2,302.60	8,425.81	(965.41)	(3,965.01)	47.91	7,756.56
Profit for the period			(3,754.46)				(3,754.46)
Other Comprehensive Income			(4,428.47)		3,545.70	0.26	(882.51)
Dividend issued	-	-	-	-	-	-	-
Balance as at 31.03.2021	1,910.66	2,302.60	242.88	(965.41)	(419.31)	48.18	3,119.59
Profit for the period			3,260.19				3,260.19
Other Comprehensive Income			3,376.18		478.35	(87.25)	3,767.28
Dividend issued	-	-	(60.00)	-		-	(60.00)
Balance as at 31.03.2022	1,910.66	2,302.60	6,819.24	(965.41)	59.05	(39.07)	10,087.06

Standalone Notes to Financial Statements

2.01 Property, Plant And Equipment And Capital Work-In-Progress

Particulars	As at 31st March 2022	As at 31st March 2021
Carrying amounts of:		
Industrial Plot	497.12	528.73
Buildings	1,803.73	2,264.16
Plant and Equipment	3,918.06	5,797.43
Furniture and fixtures	3.30	5.06
Vehicles	5.79	15.41
Office Equipment	146.63	152.22
Total	**6,374.64**	**8,763.01**
Capital Work-in-progress	120.08	120.08
Intangible Assets	3.39	5.63
Total	**6,498.10**	**8,888.72**

Particulars	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	office equipments	Total	Capital Work in progress	Intangible Assets	Grand Total
Cost or deemed cost										
Balance at 01st April 2020	**528.73**	**4713.94**	**15651.42**	**60.80**	**141.44**	**531.46**	**21627.79**	**269.67**	**36.59**	**21934.05**
Additions	149.59		29.24			1.58	180.42	61.82		242.24
Eliminated on disposals of assets	149.59		41.03		.30		190.92	211.42		402.34
Balance at 31st March 2021	528.73	4713.94	15639.63	60.80	141.14	533.04	21617.29	120.08	36.59	21773.95
Additions	.00	156.09	346.36	.00	1.15	.00	503.60	.00	.00	503.60
Eliminated on disposals of assets	31.61	837.13	5310.09	10.55	60.30	51.74	6301.41			6301.41
Balance at 31st March 2022	**497.12**	**4032.91**	**10675.91**	**50.25**	**81.99**	**481.30**	**15819.48**	**120.08**	**36.59**	**15976.15**
Accumulated depreciation and impairment										
Balance at 01st April 2020		**2323.84**	**9298.21**	**55.10**	**121.28**	**376.72**	**12175.17**		**29.93**	**12205.10**
Eliminated on disposals of assets			-11.79		-.28		-12.07			-12.07
Depreciation Expense		125.94	555.78	.64	4.72	4.10	691.18		1.03	692.21
Balance at 31st March 2021		2449.79	9842.20	55.74	125.73	380.82	12854.28		30.96	12885.23
Eliminated on disposals of assets		331.69	3473.74	9.20	52.57	49.13	3916.34			3916.34
Depreciation Expense		111.08	389.38	.42	3.05	2.98	506.91		2.25	509.15
Balance at 31st March 2022		2229.17	6757.84	46.95	76.20	334.67	9444.84	.00	33.20	9478.04
Carrying Amount										
Balance at 01st April 2020	**528.73**	**2390.10**	**6353.21**	**5.70**	**20.15**	**154.74**	**9452.62**	**269.67**	**6.66**	**9728.96**
Additions	149.59						149.59			149.59
Eliminated on disposals of assets	149.59		29.24			1.58	180.42	61.82		242.24
Depreciation expense		125.94	543.99	.64	4.44	4.10	679.11		1.03	680.14
Balance at 31st March 2021	528.73	2264.16	5797.43	5.06	15.41	152.22	8763.01	120.08	5.63	8888.72
Additions	.00	156.09	346.36	.00	1.15	.00	503.60	.00	.00	503.60
Eliminated on disposals of assets	31.61	505.43	1836.35	1.34	7.73	2.61	2385.07	.00	.00	2385.07
Depreciation expense	.00	111.08	389.38	.42	3.05	2.98	506.91	.00	2.25	509.15
Balance at 31st March 2022	**497.12**	**1803.73**	**3918.06**	**3.30**	**5.79**	**146.63**	**6374.64**	**120.08**	**3.39**	**6498.10**

Capital work in progress

Particulars	As at 31st March 2021	As at 31st March 2022
	(`in Lakhs)	
Opening CWIP at Cost	269.67	120.08
Additions during the year	61.82	
moved to Fixed Assets during the year	211.42	
Closing CWIP at Cost	120.08	120.08

Capital Work in progress (CWIP) ageing schedule

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	March 31, 2022	March 31, 2021
					(`in Lakhs)	
For FY 2021-22						
Projects in progess		120.08	-	-	120.08	-
Projects temporarily suspended	-	-	-	-	-	-
For FY 2020-21						
Projects in progess	61.82	58.26				120.08
Projects temporarily suspended	-	-	-	-	-	-

Capital Work in progress (CWIP) is overdue or exceeded its original plan cost

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	March 31, 2022	March 31, 2021
					(`in Lakhs)	
For FY 2021-22						
Projects in progess	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-
For FY 2020-21						
Projects in progess	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-

2.02 Non Current Investments

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Other Investments**		
	8,000 Equity Shares of Rs.10/- each in Kurumpetty HPP Ltd	0.08	-
	Less: Impairment Loss allowance	(0.08)	
	8,000 Equity Shares of Rs.10/- each in Palakkayam HPP Ltd	0.08	-
	Less: Impairment Loss allowance	(0.08)	
	8,000 Equity Shares of Rs.10/- each in Upper Poringal HPP Ltd	0.08	-
	Less: Impairment Loss allowance	(0.08)	
	8,000 Equity Shares of Rs.10/- each in Vattapara HPP Ltd	0.08	-
	Less: Impairment Loss allowance	(0.08)	
	1,57,500 equity shares of Rs.10/- each in Malayalam Communications Ltd.	20.11	20.11
2	Shares - Vimla Infrastructure (India) Pvt Ltd	0.40	0.40
	OCI FAIR VALUE	26.80	48.18
3	Investment accounted for using Equity Method		
	Investment in Al Tamman at cost	3,923.73	3,923.73
	Opening Accumulated Reserve Tranferred to Reserves and surplus	(6,309.23)	(3,001.69)
	Share of Profit of Joint Venture accounted using Equity Method	6,297.25	(922.04)
		3,959.05	**68.68**
	Total	**3,959.05**	**68.68**

2.03 Long Term Loans & Advances

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Unsecured considered good		
a)	**Other loans and advances (specify nature).**		
	- Electricity Charges recoverable	537.62	537.62
	- Security Deposits	-	914.15
	- Rental Advances	19.02	24.50
	- Tax Payment Pending Adjustments	1,175.76	1,120.99
	Total	**1,732.40**	**2,597.25**

Note:

Electricity charges recoverable is the amount being a dispute on interpretation of computation in MD charges claimed by KSEB, paid by the Company under Protest during the period 2005 to 2015.

2.04 Deferred Tax Assets (Net)

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	(i) Deferred Tax Assets (Net)	876.80	146.42
	Total	**876.80**	**146.42**

Note:

Movement of deferred tax expense during the year ended March 31,2022 and March 31, 2021 are given in Note No.2.27.

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2.05 Other Non Current Assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	- Security Deposits	1,031.64	-
	Total	**1,031.64**	**-**

2.06 Inventories

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
a	Raw Materials and components	9,306.03	9,764.97
b	WIP	2,772.02	3,018.44
c	Finished goods		
d	Stores and spares		
e	Consumables	50.20	68.84
f	Power - Banked Energy	1,247.51	1,034.00
	Total	**13,375.76**	**13,886.25**

2.07 Trade Receivables

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Undisputed - considered good	966.03	792.59
2	Undisputed - considered doubtful		
3	Disputed - considered good		-
4	Undisputed - considered doubtful		
		966.03	792.59
	Allowance for expected credit losses		
	Total	**966.03**	**792.59**

Trade Receivables Ageing schedule

Sr. No	Particulars	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	31.03.2022	31.03.2021
							(₹ in lakhs)	
	For FY 21-22							
1	Undisputed Trade receivables - considered good	661.74	251.15	53.15		-	966.03	
2	Undisputed Trade receivable - considered doubtful							
3	Disputed Trade receivables - considered good		-	-	-	-	-	-
4	Undisputed Trade receivables - considered doubtful							
	Total	**661.74**	**251.15**	**53.15**	**-**	**-**	**966.03**	**-**
	For FY 20-21							
1	Undisputed Trade receivables - considered good	646.29	120.74	25.55		-		792.59
2	Undisputed Trade receivable - considered doubtful							
3	Disputed Trade receivables - considered good		-	-	-	-	-	
4	Undisputed Trade receivables - considered doubtful							-
	Total	**646.29**	**120.74**	**25.55**	**-**	**-**	**-**	**792.59**

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2.08 Cash and Cash Equivalents

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Cash and Cash Equivalents		
	a) Balance with Banks		
	- In Current Accounts	90.81	269.38
	b) Cash on hand	1.98	4.39
	c) Cheques on hand	-	-
	d) Fixed Deposits maturing within 3 months	-	-
		92.79	**273.77**
2.09	Other Bank Balances		
	a) Margin money	94.98	94.98
	b) Unclaimed Dividend	11.40	18.04
		106.37	113.01
	Total	**199.16**	**386.79**

2.10 Current - Other financial assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Loans and advances to related parties**		
	Unsecured, considered good		
	- Unsecured Loan to subsidiary Company	-	-
	- Advance to Expenses	-	-
2	**Loans and advances to related parties**		
	Balance With Governement Authorities	-	63.78
	Unsecured, considered good		
	- Advance to Trade suppliers	-	3.40
	- Advance to employees	9.53	44.61
		157.94	**383.37**
	Total	**167.47**	**495.17**

Note:

Details of Loan or Advances in the nature of Loans are granted to promoters, directors, KMPs and the related parties which are repayable on demand is given below.

Current Year	31st March, 2022	
Type of Borrower	**Outstanding**	**Percentage**
Promoter		
Directors		
KMPs		
Related Parties *	49.07	100%
	49.07	

* The amount related to outstanding of advance to Al Tammal Indsil Ferro Chrome LLC

Previous year	31st March, 2021	
Type of Borrower	**Outstanding**	**Percentage**
Promoter		
Directors		
KMPs		
Related Parties	291.33	100%
	291.33	

2.11 Current Tax Assets (Net)

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	TDS Receivable	25.09	21.67
	Total	**25.09**	**21.67**

2.12 Other Current Assets

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Incentives receivable	10.04	334.91
	Total	**10.04**	**334.91**

2.13 SHARE CAPITAL

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**AUTHORIZED**		
	3,43,00,000 Equity shares of Rs. 10/- Each	3,430.00	3,430.00
	2,00,00,000 Redeemable Preference Shares of Rs.10/- each	2,000.00	2,000.00
		5,430.00	**5,430.00**
2	**ISSUED SUBSCRIBED AND FULLY PAID UP**		
	2,77,91,122 Equity shares of Rs. 10/- each	2,779.11	2,779.11
	1,50,00,000 preference shares of Rs. 10 each fully paid	1,500.00	1,500.00
	Total	**4,279.11**	**4,279.11**

The reconciliation of the number of shares outstanding is set out below:

Particulars	31.03.2022		31.03.2021	
	Number	Value (₹)	Number	Value (₹)
Equity Shares at the beginning of the year	277.91	2,779.11	277.70	2,776.97
Changes during the year	-	-	0.21	2.14
Equity Shares at the end of the year	277.91	2,779.11	277.91	2,779.11

i) Rights, preferences & restrictions in respect of each class of shares

The Company's authorised share capital consists of two classes of shares, referred to as Equity Shares and Preference Shares, having par value of ₹ 10/- each respectively.

Each holder of Equity Share is entitled to one vote per share. The preferential shareholders have preferential right over equity shareholders in respect of repayment of capital and payment of dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The company has two classes of shares viz. equity shares of Rs.10/- per share and 10% Cumulative Redeemable preference shares of Rs.10/- each.

Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitles to receive the realized value of assets of the company, remaining after the payment of all preference dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

The terms of issue of the preference shares are as follows:

The Preference Shares to be issued shall carry a fixed cumulative preference dividend of 10% (Ten percent) per annum on the capital for the time being paid-up thereon.

The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).

The preference shares issued shall be redeemable at par at any time at the option of the company but not later than October 18, 2022. The Company has sought to extend the tenure of redemption of the preference shares to October 18, 2025 subject to the requisite approval of shareholders.

ii) Details of Shareholder's holding more than 5% of shares

S. No.	Name of the Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sunmet Holdings India Private Limited	140.18	50.44%	140.18	50.44%
2	Crosimn Agencies Private Limited	16.17	5.82%	16.17	5.82%
	TOTAL	**156.35**	**56.26%**	**156.35**	**56.26%**

iii) Details of Preference Shareholder's holding more than 5% of Shares:

S. No	Name of Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	NIRMAL JAIN B	15,00,000	10%	15,00,000	10%
2	BALCHAND B	15,00,000	10%	15,00,000	10%
3	MAHAVEERCHAND B	15,00,000	10%	15,00,000	10%
4	PARAS B	15,00,000	10%	15,00,000	10%
5	ASHOK B	15,00,000	10%	15,00,000	10%
6	B AJITH JAIN	15,00,000	10%	15,00,000	10%
7	PANKAJ B JAIN	15,00,000	10%	15,00,000	10%
8	VASANT JAIN B	15,00,000	10%	15,00,000	10%
9	MOHIT JAIN P	15,00,000	10%	15,00,000	10%
10	DEEP PRAKASH M	15,00,000	10%	15,00,000	10%
		1,50,00,000		1,50,00,000	

iv) Details of Shareholding of promoters:

Sr. No	Name of Shareholder	31.03.2022		31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sunmet Holdings India Private Limited	140,17,745	50.44%	140,17,745	50.44%
2	Crosimn Agencies Private Limited	16,17,000	5.82%	16,17,000	5.82%
3	S N Varadarajan	1101110	3.96%	1101110	3.96%
4	D Pushpa Varadarajan	530698	1.91%	530698	1.91%
5	Jayashree Vinod	183630	0.66%	183630	0.66%
6	Vinod Narsiman	174322	0.63%	174322	0.63%
7	Rudra Narsiman	2718	0.01%	2718	0.01%
8	Vishwaa Narsiman	2718	0.01%	2718	0.01%
	TOTAL	**176,29,941**	**63.44%**	**176,29,941**	**63.44%**

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2.14 OTHER EQUITY

S.No.	Particulars		31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Securities Premium**			
	Balance at the beginning of the year		1,910.66	1,910.66
	Additions/ (deductions) during the year		-	-
	Balance at the end of the year		**1,910.66**	**1,910.66**
2	**General Reserves**			
	Balance at the beginning of the year		2,302.60	2,302.60
	Additions/ (deductions) during the year		-	-
	Balance at the end of the year		**2,302.60**	**2,302.60**
3	**Capital Reserve**			
	Opening balance		(965.41)	(965.41)
	Capital Reserve on Business Combination		-	-
	Capital Reserve on consolidation- Indsil Energy Electrochemicals Pvt Ltd		-	-
	Capital Reserve on consolidation- Sree Mahalaksmi Smelter Pvt Ltd		-	-
	Balance at the end of the year		**(965.41)**	**(965.41)**
4	**Exchange Flutuation Reserve**			
	Opening balance		(419.31)	(3,965.01)
	Adjustment on loss of control over subsidiary		478.35	3,546.51
	Additions Through Business Combination		-	-
	During the year		-	(0.80)
	Closing balance		**59.05**	**(419.31)**
5	**Surplus**			
	Opening balance		242.88	8,425.81
	Add : Profit/(Loss) for the current year		3,260.19	(3,754.46)
	Add : Adjustment made directly to reserve		-	124.43
	Add : Adjustment on loss of control over subsidiary		(535.57)	-
	Add : Adjustment on loss of control over subsidiary & JV accounting		(2,385.51)	(3,630.86)
	Add : Adjustment on Equity method accounting of JV		6,297.25	(922.04)
	Less : Proposed Dividends		(60.00)	-
	Closing balance		**6,819.24**	**242.88**
6	**Other Comprehensive Income**			
	a) Re-measurement of the defined benefit plans			
	Opening Balance		(28.73)	(28.73)
	OCI for Current Year		(65.88)	-
	Closing Balance	[A]	(94.60)	(28.73)
	b) FVOCI equity instruments			
	Opening Balance		40.26	39.92
	OCI for Current Year		0.05	0.34
	Closing Balance	[B]	40.32	40.26
	c) Exchange differences in translating financial statements of foreign operations			
	Opening Balance			
	Additions through Business Combination			
	OCI for Current Year			
	Closing Balance	[C]	-	-
	d) Other items of OCI			
	Opening Balance		36.64	36.72
	OCI for Current Year		(21.43)	(0.08)
	Closing Balance	[D]	15.21	36.64
	Total Comprehensive Income	**[A]+[B]+[C]+[D] = [E]**	**(39.07)**	**48.18**
	NON Controlling Interest		-	-
	Total		**10,087.06**	**3,119.59**

Nature and Purpose of Reserves

Securities Premium

Securities Premium is used to record the premium on issue of equirty shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares inaccordance with provisions of the Companies Act, 2013. During the year, the reserve has been utilised amount is NIL.

General Reserves

Generl reserve is created by the Company by appropriating the balance of Retained Earnings. It is a free reserve which can be used for meeting future contingencies, creating workings capital for business operations, strengthening the financial position of the Company.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. (Refer statement of changes in equity)

Capital Reserve on Business Combination

Capital Reserve on Business Combination due to merger of Indsil Energy and Electrochemicals Pvt Ltd and Sree Mahalakshmi Smelters Pvt Ltd.

2.15 Non Current Finance Liabilities -Borrowings

Sr. No	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
		Non Current		Current Maturities	
1	**Secured (Refer Note No.2.44)**				
	Term loans from Banks				
	- Rupee Loan (Refer Note No.2.17)			255.58	334.15
	- Foreign Currency Loan	-			64.43
	Term loans from Others				
	- Rupee Loan	2,304.31	3,096.35		-
	Total	2,304.31	3,096.35	255.58	398.58

The Company has availed 11 Crores Rupee term loan from Yes Bank during the year 2017 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has availed 5 Crores Rupee term loan from Yes Bank during the year 2016 repayable in 16 equal quarterly instalments. The Loan is secured by way of pari passu charge on entire fixed assets and second pari passu charge on the current assets of the Company.

The Company has taken loan from Non-Banking Companies by pledge opf Shares/Land.

The Company was not able to honor the payment of dues against Term Loan. Therefore the Yes bank classified the accounts as non as NPA.

2.16 Non Current Liabilities - Provisions

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Provision for Gratuity	286.19	194.67
2	Provision for Electricity demands	1,109.49	1,109.49
	Total	**1,395.69**	**1,304.17**

Information about Provision for Electricity demands

In the past, the Kerala State Electricity Board has raised certain demands on the Company relating to payment of electricity charges and other charges on account of working of the hydro electric power division of the Company. These charges were more than that warranted for, when specifically considering the working agreement between the Company and KSEB for operation of the hydro electric power plant. These demands remain in dispute and have been challenged by the Company in various forums including the Hon'ble High Court of Kerala.Such matters remain sub - judice and in some cases, where necessary, pending judgement, adequate provisions have been made.The Company is confident of positive redressal by the appropriate forums where no provisions has been made and in cases where the Company has deposited sums/advances, pending judgements, it is expected that those sums would be refunded.

2.17 Current Finance Liabilities -Borrowings

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
	Secured (Refer Note No.2.44)		
1	Working Capital facilities from Banks		
	- In Rupee	8,098.27	10,472.67
2	Secured (Refer Note No.2.44)	255.58	398.58
	Total	**8,353.85**	**10,871.25**

Working capital facilities from IDBI Bank Ltd, RBL Bank, Yes Bank Ltd,The Federal Bank Ltd, Karnataka Bank Ltd, and State bank of India have pari passu first charge on the entire current assets of the Company and pari passu second charge on entire fixed assets of the Company. Working capital facilties from State Bank of India, RBL Bank, Yes Bank and Federal Bank Ltd are further guaranteed by the personal guarantee of Sri Vinod Narsiman, Managing Director to the extent of limit sanctioned.

Working Capital facitilities from Banks are repayable on demand and carries sactioned interest rates varying from 10.65% to 14.10% p.a.

Yes Bank, RBL, Karnataka Bank and SBI Classified the accounts as non-standard since the Company was unable to remit the interest on working capital borrowings owing to distruption in the production caused due to Covid which lead to mismatch in the cash flow.

The Company is in the processing of Re-structuring with Yes Bank, RBL , KBI and SBI has sanctioned an OTS.

2.18 Current Finance Liabilities - Trade Payables

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Dues to Micro, small and medium Enterprises	1.94	32.44
2	Others	1,197.83	3,183.08
	Total	**1,199.77**	**3,215.52**

Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information avaiable with the Company and the required diclosures are given below:

S. No	Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	31.03.2022 (₹ in Lakhs)	31.03.2021 (₹ in Lakhs)
	For FY 21-22						
1	MSME	1.94				1.94	
2	Others	876.54	321.30			1,197.83	
3	Disputed Dues - MSME		-	-	-	-	-
4	Disputed Dues - Others					-	
	Total	**878.48**	**321.30**	**-**	**-**	**1,199.77**	**-**
	For FY 20-21						
1	MSME	32.44					32.44
2	Others	2,387.31	795.77				3,183.08
3	Disputed Dues - MSME		-	-	-	-	-
4	Disputed Dues - Others						
	Total	**2,419.75**	**795.77**	**-**	**-**	**-**	**3,215.52**

2.19 Other Current Liabilities

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Unclaimed Dividends *	36.57	18.91
2	Accrued Employee benefits	113.64	111.79
3	Statutory liabilities	31.78	678.92
4	Other Payables	1,039.77	912.64
	Total	**1,221.76**	**1,722.26**

* There is no amount due and outstanding to be credited to investor Education and Protection Fund.

2.20 Provisions

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Provision for Gratuity	-	
2	Provision for Electricity demands	-	10.19
	Total	**-**	**10.19**

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2.21 REVENUE FROM OPERATIONS

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	**Sale of Products:**		
	- Smelter	20,489.12	5,859.24
	- Power	2,335.64	1,186.19
	- Sale of Raw Materials	350.79	211.27
		23,175.56	**7,256.69**
2	Less : Excise duty		
		23,175.56	7,256.69
3	**Interdivisional Sale of Power**	(2,335.64)	(1,186.19)
4	**Other Operating Income**		
	Export Incentives	3.53	32.23
		20,843.45	**6,102.73**
5	**Detail of Revenue from operations**		
	Silico Manganese & Manganese Ore	23,175.54	6,070.50
	Export Incentives	3.53	32.23
	Total	**23,179.07**	**6,102.73**

2.22 Other Income

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Interest Income	0.83	37.68
2	Dividend Income	-	-
3	Dividend from Subsidiaries	-	-
	Profit on Sale of Assets/Investments	992.03	0.01
	Scrap sales	212.18	109.45
	Rental Income from Lease	1.37	0.90
	Discount	-	-
4	Realised Gain - Forex	-	9.80
5	Income from insurance Claim	-	-
6	Miscellaneous Income	0.09	72.24
	Total	**1,206.51**	**230.08**

2.23 Cost of Materials Consumed

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
a)	**Consumption of Raw Materials**	**11,542.78**	**2,941.51**
	Total	**11,542.78**	**2,941.51**

2.24 Changes in inventories of finished goods, work in progress and Stock-in- trade

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Finished Goods: Opening Stock	3,018.44	3,419.68
	Additions through Business Combination		
	Less: Closing Stock	(2,772.02)	(3,018.44)
		246.42	401.24
2	Hydro Banked Units : Opening Stock	1,034.00	43.84
	Additions through Business Combination		
	Less: Closing Stock	(1,247.51)	(1,034.00)
		(213.51)	(990.16)
	Total	**32.91**	**(588.92)**

2.25 Employee benefits expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Salaries and wages	1,192.26	740.98
2	Contribution to provident Fund & other Funds	43.57	33.18
3	Employee compensation - ESOS amortisation	-	-
4	Provision for Gratuity & Earned Leave Encashment	54.65	27.96
5	Staff welfare expenses	36.66	18.95
	Total	**1,327.14**	**821.06**

2.26 Finance Costs

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Interest expense	1,553.78	1,900.77
2	Other Borrowing Costs	20.07	49.35
	Total	**1,573.85**	**1,950.12**

2.27 Depreciation and amortization expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Depreciation and amortization expense	509.15	692.21
	Total	**509.15**	**692.21**

2.26 Other expense

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Power & Fuel (Net)	3,029.11	1,127.19
2	Packing, Freight & Forwarding	371.81	131.06
3	Communication Expenses	16.26	13.66
4	Directors Sitting Fees	1.05	0.68
5	Repairs & Maintanance :		
	Plant & Machinery	275.18	18.47
	Buildings & Others	163.52	45.07
6	Insurance Expenses	22.79	26.10

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
7	Legal Expenses	18.57	10.09
8	Professional Charges	73.58	63.57
9	Security service charges	46.45	57.22
10	Printing and Stationery	2.55	3.06
11	Auditors Remuneration	5.50	1.06
12	Rent	25.00	14.04
13	Rates & Taxes	0.00	0.16
14	Subscription	3.36	1.12
15	Donation	8.61	6.75
16	Sales Commission & Discount	31.32	60.73
17	Transportation charges	50.92	62.00
18	Travelling Expenses	15.29	12.24
19	Exchange Fluctuation (Net)	19.69	(14.33)
20	Miscellaneous Expenses	353.75	71.63
	Total	**4,534.32**	**1,711.55**

Payments to the Auditors (Excluding taxes)

Particulars	31.03.2022 (₹ in Lakhs)	2020-21 (₹ in Lakhs)
As Auditor - Statutory Audit and Limited Reviews	5.50	5.50
For Certification and other matters	2.00	2.00
For reimbursement of expenses	0.10	0.22
	7.60	**7.72**

2.29 Current & Deferred tax

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Current tax	-	-
2	Deferred tax	(730.38)	(352.39)
3	MAT Credit Entitlement	-	-
	Total	**(730.38)**	**(352.39)**

The Income tax expenses for the year can be reconcilied to the accounting profit as follows - AS12

S. No	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Profit beflore tax from continuing operations	-	-
2	Income tax expenses	1,206.51	230.08
3	Effect of expenses that are not deductible in determinig taxable profit	-	-
4	Total Income tax expenses	1,206.51	230.08

2.30 Changes in Income Tax Rate

For the purpose of calculating the tax expenses from the Financial year 2020-21 the Company has considered the tax rate prescribed under the section 115BAA of the Income Tax Act, 1962. i.e., effective rate of 25.17%

2.31 Income tax recongnised in other comprehensive income

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Remeasurement of defined benefit obligation	(65.82)	0.34
2	Income tax recognised in other comprehensive Income	(21.43)	(0.08)
		(87.25)	0.26

2.30 Movement of deferred tax expense during the yar ended March 31,2022

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Property, plant and equipment and Intangible Assets	(934.40)	311.35	-	(623.05)
Expenses allowable on payment basis under the Income Tax Act	1,080.82	419.04	-	1,499.86
Other temporary differences		-		
Lease Liability				
	146.42	**730.39**	**-**	**876.81**

Movement of deferred tax expense during the yar ended March 31,2021

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Property, plant and equipment and Intangible Assets	(934.40)	-		(934.40)
Expenses allowable on payment basis under the Income Tax Act	728.44	352.39	(0.08)	1,080.82
Other temporary differences				
Lease Liability				
	(205.96)	**352.39**	**(0.08)**	**146.42**

2.31 EARNING PER EQUITY SHARE

S.No.	Particulars	31.03.2022 (₹ in lakhs)	31.03.2021 (₹ in lakhs)
1	Net Profit after Tax	9,557.44	(4,676.50)
2	Weighted average number of equity shares	277.91	277.91
3	(Face Value of ₹ 10 each)	2,779.11	2,779.11
4	Basic EPS (₹)	34.39	(16.83)
5	Diluted EPS (₹)	34.39	(16.83)

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary

NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.3.2022

1. Company Overview

Indsil Hydro Power and Manganese Ltd (" the Company") is engaged in manufacturing Low/Medium/High Carbon Silico Manganese - Key ingredients used in Steel and Stainless steel Industry. Headquarter in Coimbatore (India), Indsil has LCSM Smelters in India intergrated with Captive hydel power Plant.

The Company is a Public Limited Company and listed on the Bombay Stock Exchange

The Company together with its subsidiaries is hereinafter referred to as "the Group"

These financial statements were approved for issue by the board of directors of the Company on 26th May, 2022.

2. Basis of Consolidation

"The consolidated financial statements comprise the financial statements of the Company and its Subsidiaries. Control is achieved when the Company is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has"

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

3. Consolidation Procedure:

"The financial statements of the Company and it's subsidiary companies are combined on a line by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses, in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements" & Joint Venture Company combined on a basis of equity method by adding Profits to Profit & loss accounts"

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange differences on translating the financial statements of foreign subsidiaries are recognised in other comprehensive income and is accumulated in Foreign Currency Translation Reserve (component of OCI) until the disposal of the investment, at which time such exchange difference is recognised in the Statement of Profit and Loss.

The list of subsidiary companies which are included in the consolidation and the Company's holding therein are as under

S.No	Name of the Company	Ownership/voting power in % as at		Principal place of Business/ Country of Incorporation
		31st March,2022	31st March,2021	
1	Indsil Energy Global (FZE)	100%	100%	Sharjah
2	Al Tamman Indsil ferro Chrome LLC	50%	50%	Oman

Significant accounting policies

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS ') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015 (as amended)

2.2 Basis of preparation

(i) Historical Cost Convention

These financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are obser vable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Functional and presentational currency

These financial statements are presented in Indian Rupee (INR) which is also the functional currency.

(iv) Rounding off amounts

All amounts disclosed in the financial statements have been rounded off to the nearest rupees in Lakhs, as per the requirements of Schedule III of the Act, unless otherwise stated.

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make ju d g e m e nts, esti m ates a n d a ssu m pti o ns th at affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

In particular, following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in standalone financial statements:

a. Assessment of useful life of property, plant and equipment and intangible asset – refer below note 2.5.

b. Recognition and estimation of tax expense including deferred tax – refer note 2.29

c. Fair value measurement refer above note 2.2 (ii)

d. Recognition and measurement of provision and contingency – refer note 2.32

e. Estimated impairment of financials Assets-refer below note.2.11

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Company has deemed its operating cycle as twelve months for the purpose of current/non- current classification.

2.4 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

a) The Company recognizes revenue from sale of goods when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when it no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sale of goods is recognised net of taxes collected on behalf of third parties.

The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

b) Inter unit transfers are adjusted against respective expenses.

c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate ('EIR') applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition

d) Dividend income from investments in equity shares and mutual funds is recognised when the right to receive the dividend is established.

e) Export Incentives are recognised as per schemes specified in foreign Trade Policy, as amended from time to time, on accrual basis in the year when right to receive as per terms of the scheme is established and are accounted to the extent there in no uncertainty about its ultimate collection.

f) Insurance Claim is accrued in the year when the right to receive is established and is recognised to the extent there is no uncertainty about its ultimate collection.

2.5 Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the cost of acquisition of the asset. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Upon transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2016 measures as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

The Company has adopted the useful life as specified in Schedule II to the Act, except for certain assets for which the useful life has been estimated based on the Company's past experiences in this regard, duly supported by technical advice. Accordingly, the useful lives of tangible assets of the Company which are different from the useful lives as specified by Schedule II are given below:

Buildings	- 30 Yrs
Plant & Machineries	- 20 Yrs
Furniture & Fittings	- 10 Yrs
Vehicles	- 8 Yrs
Office Equipments	- 5 Yrs
Computers & Electronic Devices	- 3 Yrs

Refer Note 2.01 for detailed classification of the Company's assets under various heads.

2.6 Intangible Assets

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives, if any other method which reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity cannot be determined reliably. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

For transition to Ind AS, the Company had elected to continue with the carrying value of all its intangible assets recognised as at the transition date, measured as per the previously applicable Indian GAAP and used that carrying value as its deemed cost as at the transition date.

2.7 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets are dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Derecognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - “Financial Instruments”. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

Financial guarantee contracts

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2.10 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated as hedging instrument.

2.11 Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.12 Investment in Subsidiaries and Associate

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in subsidiaries and associate are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

For transition to Ind AS, the Company had elected to continue with the carrying value of its investment in subsidiaries recognised as at the transition date, measured as per the previously applicable Indian GAAP and used that carrying value as its deemed cost as at the transition date.

2.13 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to control the use of the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company has applied Ind AS 116 from 1st April, 2019 onwards using the modified retrospective approach.

a) Arrangements where the Company is the lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or company's incremental borrowing rate. The lease liability is

measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments.

For short-term and low value leases are classified as operating leases. Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

b) Arrangements where the Company is the lessor

Rental income from operating leases is generally recognised on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.14 Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e. INR) at exchange rates at the dates of the transactions. Monetar y assets and liabilities denominated in foreign currencies at the reporting date, except for those derivative balances that are within the scope of Ind AS 109 – "Financial Instruments", are translated to the functional currency at the exchange rate at that date and the related foreign currency gain or loss are recognised in the Statement of Profit and Loss.

Foreign exchang e dif ferences re g ard e d as an adjustment to interest costs are recognised in the Statement of Profit and Loss. Realised or unrealised gain in respect of the settlement or translation of borrowing is recognised as an adjustment to interest cost to the extent of the loss previously recognised as an adjustment to interest cost.

2.15 Employee benefits

a) Employee benefits in the form of Provident Fun d, Pe nsi o n Fun d, S up e rannu ati o n Fun d and Employees State Insurance are defined contribution plans. The Company recognizes contribution payable to a defined contribution plan as an expense, when an employee renders the related service. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the contribution payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, the excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity liability is defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements of the net defined benefit liability/asset comprise:

   i) actuarial gains and losses;

   ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset; and

   iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.

   Remeasurements of net defined benefit liability/asset are charged or credited to other comprehensive income.

c) Compensated absences is other long term employee benefit. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

2.16 Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases, the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which those deductible temporary differences and tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.17 Provisions, Contingent Liabilities and Contingent

Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

(b) a present obligation that arises from past events but is not recognized because:

(i) it is not prob able that an out flow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized but are disclosed in notes.

2.18 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant related to expenses are deducted in reporting the related expense.

2.19 Non-current assets (or disposal groups) classified as held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs of disposal. Non-current assets held for sale are not depreciated or amortised.

2.20 Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.21 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated 23 March 2022, has made certain amendments in Companies (Indian Accounting Standard Rules), 2015. Such amendments shall come into force with effect from 1 April 2022, but do not have a material impact on the financial statements of the Company.

(i) Ind AS 103: Business combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

This Company does not expect the amendment to have any significant impact in it's Financial Statements.

(ii) Ind AS 37: Provisions, Contingent Liabilities, and Contingent Assets

The amendments specif y that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract '. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Since Company's current practice is in line with the clarifications issued, there may not be material effect on the financial statements of the Company.

(iii) Ind AS 109: Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. Since Company current practice is in line with the clarifications issued, there may not be material effect on the financial statements of the Company.

(iv) Ind AS 16: Property, Plant and Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on the financial statements.

2.32 CONTINGENT LIABILITIES

S.No.	Particulars	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
a)	Guarantees issued by Banks on behalf of the Company (The above Guarantee is given to KSEB as CCD)	129.49	129.49

b) The Case pertains to levy of electricity duty Rs.6209 Lakhs on the self generation of Unit between year 2005 to 2015. It is also questioned on the power of the State on the levy of duty on self generation. The case is in the High Court and the Company has got stay.

c) There are certain due's relating to KVAT, Rs.558.71 Lakhs plus interest for the year 2012-13, Rs.322.98 lakhs plus interest for FY 2013-14, Rs.2395.66 lakhs plus interest for FY 2014-15 and Rs.202.52 lakhs plus interest for FY 2015-16 . The Interest is not quantified.

Financial risk management

Financial risk factors

The Company 's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans and advances, investment in equity instruments and mutual funds, trade receivables and cash and bank balances that arise directly from its operations. The Company also enters into derivative transactions to hedge foreign currency and interest rate risks and not for speculative purposes. The Company is exposed to market risk, credit risk and liquidity risk and the Company's senior management oversees the management of these risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

Currency risk

Foreign currency risk is the risk that fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. For mitigating exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on the risk perception of the management. The Company has entered into foreign currency forward contracts and cross currency swap contracts.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Any changes in the interest rates environment may impact future cost of borrowings. To manage this, the Company has entered into interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, letters of credit and working capital limits.

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2.33 SEGMENT REPORT

Primary Segments (Business Segments)	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
1. Segment Revenue		
a. Smelter	22,049.96	6,332.82
b. Power	2,335.64	1,186.19
	24,385.60	**7,519.00**
Less : Intersegment Revenue	2,335.64	1,186.19
Net Revenue	**22,049.96**	**6,332.82**
2. Segment Results		
(Profit / Loss before Financial charges & Tax)		
a. Smelter	6,451.65	(3,936.18)
b. Power	2,186.28	1,789.17
	8,637.93	**(2,147.01)**
Add / Less : Unallocable Income/Expenses		
Operating Profit	8,637.93	(2,147.01)
Less : Financial Charges	1,572.12	1,949.84
Total Profit / (Loss) before Tax and extraordinary items	**7,065.81**	**(4,096.85)**
3. Capital Employed		
(Segment Assets - Segment Liabilities)		
a.Smelter	11,433.55	11,488.62
b.Power	3,031.17	4,113.11
	14,464.72	**15,601.73**

2.35 RELATED PARTY DISCLOSURES

a) Wholly Owned Subsidiary	Indsil Energy Global (FZE)
b) Other Related Entity	Sunmet Holdings India Private.Ltd , Vira Holdings LLP
c) Key Management Personnel	Sri. Vinod Narsiman - Managing Director
	Sri. K. Ramakrishnan - Whole Time Director
	Sri.R.Murali(Chief Financial Officer)
	Ms.Rajkumari R (Company Secretary - W.E.F Dec'21)
	Smt.P.Krishnaveni (Company Secretary - Upto Sep'21)
d) Relatives of Key Management Personnel	Sri. S.N.Varadarajan (Father of Sri Vinod Narsiman)
	Smt. D.Pushpa Varadarajan (Monther of Sri Vinod Narsiman)
	Sri. Vishwaa Narsiman (S/o Sri.Vinod Narsiman)
	Sri. Rudra Narsiman (S/o Sri.Vinod Narsiman)
e) Joint Venture	Al - Tamman Indsil Ferro Chrome LLC

Particulars	Wholly Owned Subsidiary ₹ in lakhs	Joint Venture ₹ in lakhs	Other Related Entity ₹ in lakhs	Key Management Personnel ₹ in lakhs	Relatives of Key Management Personnel ₹ in lakhs
Current Year - (31.03.2022)					
Purchase of Raw Material			3,937.44		
Rent paid			17.40		
Rent Receipts			1.37		
Directors' Sitting Fees				0.55	
Managerial Remuneration				25.63	
Commission				50.67	
Balances outstanding	**7.13**	**41.95**	**(168.26)**	**(105.84)**	**(157.46)**
Previous Year- (31.03.2021)					
Sales of Raw Material *					
Purchase of Raw Material			2,021.77		
Sales of Finished Goods *			585.61		
Rent paid			9.90		
Rent Receipts			0.90		
Directors' Sitting Fees				0.35	
Managerial Remuneration				18.29	
Balances outstanding	**237.82**	**44.78**	**(804.23)**	**(55.17)**	

* Sale and Purchase of Raw material is carried out between related entities at arms leanth basis adopting fair accounting standards with the prior approval of the audit committee.

2.35	MANAGING DIRECTOR'S REMUNERATION	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Salary	4.50	
	Commission	50.64	
	Perquisites		
		55.14	

2.36	WHOLE TIME DIRECTOR REMUNERATION	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Salary	5.04	4.49
	Commission	-	-
	Perquisites	0.16	0.14
		5.21	4.63

2.37	Computation of Commission Payable To Managing Director	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
	Net profit as per Sec.198 of the Companies Act.	2,532.19	
	Commission payable to Managing Director - 2% of Net profits	50.64	

	Particulars	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
2.38	Value of imports (on CIF basis)		
	Raw Materials		
2.39	Expenditure in foreign currency:		
	Travelling	-	
	Professional & Consultancy	-	-
	Subscription & Others	-	0.11
2.40	Earnings in foreign exchange (on FOB basis)	321.26	1,015.97

2.41 The Company has entered into operating lease, having a lease period ranging from 1-5 years, with an option to renew the lease. The future minimum lease payments are as follows:

Particulars	31.03.2022	31.03.2021
not later than one year	19.20	17.40
later than one year and not later than five years	111.40	78.75

2.42 Other Statutory Information:

(i) The Group does not have Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(iii) The Group has advances or loaned or invested funds in any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the intermediary shall: Refer Note No.2.09

(a) Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(iv.) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) the Company shall:

(a) Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(v.) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(such as search, survey or any other relevant provisions of the Income Tax Act, 1961.

(vi.) The Holding company has filed all the required quarterly return statements of currents assets with the bank as per covenants of the Sanction of Working Capital Limit which are in agreement with the books of accounts and there are no material discrepancies in the same.

As per our report of even date
For **RAJA & RAMAN**
Chartered Accountants
Firm Registration No: 003382S

K.R.RANGARAJAN
Partner
Membership No : 224928

Place : Coimbatore
Date : 26.05.2022

For and on Behalf of the Board

VINOD NARSIMAN
Managing Director
DIN:00035746

K. RAMAKRISHNAN
Whole-time Director
DIN:02797842

R. MURALI
Chief Financial Officer

RAJKUMARI R
Company Secretary