

10th

2016 - 17

A N N U A L R E P O R T



Power from Company's 32MW
Captive Thermal Power Plant

Manganese Ore from the
Holding Company's Mines

Ferroalloys

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

STAR METALLICS AND POWER PRIVATE LIMITED

(A subsidiary of The Sandur Manganese & Iron Ores Ltd)

10th ANNUAL REPORT 2016-17

DIRECTORS

S. Y. Ghorpade, Chairman & Non-Executive Director
Nazim Sheikh, Director
S. H. Mohan, Director
N. S. Lakshmanan, Director
A. G. Suresh, Director
B. Ananda Kumar, Nominee Director
V. Balasubramanian, Independent Director
S. S. Rao, Independent Director
Dr. H. R. Halambi, Independent Director

COMPANY SECRETARY

V. Murali

CHIEF FINANCIAL OFFICER

Sachin Dattatray Sanu

AUDITORS

M/S. Deloitte Haskins & Sells, Bengaluru

BANKERS

State Bank of Mysore

AUDIT COMMITTEE

S. S. Rao, Chairman
N. S. Lakshmanan, Member
V. Balasubramanian, Member
Dr. H. R. Halambi, Member

NOMINATION & REMUNERATION COMMITTEE

V. Balasubramanian, Chairman
N. S. Lakshmanan, Member
S. S. Rao, Member
Dr. H. R. Halambi, Member
B. Ananda Kumar, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

S. Y. Ghorpade, Chairman
V. Balasubramanian, Member
S. S. Rao, Member
B. Ananda Kumar, Member
Dr. H. R. Halambi, Member

Registered Office:

Metal and Ferroalloys Plant, Vyasankere, Mariyammanahalli – 583 222
Hosapete Taluk, Ballari District, Karnataka State
Phone: 08394-244450

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STAR METALLICS AND POWER PRIVATE LIMITED

(A subsidiary of The Sandur Manganese & Iron Ores Ltd)

CIN:U40102KA2007PTC043446

Registered Office: Metal & Ferroalloys Plant, Vyasankere,
Mariyammanahalli - 583 222, Hosapete Taluk, Ballari Dist., Karnataka
Telephone: +91 8394 244450

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Members of the Company will be held on Tuesday, the 26th day of September 2017 at 3.30 P. M. at the Registered office of the Company at Metal & Ferroalloys Plant, Vyasankere, Mariyammanahalli - 583 222, to transact, the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2017 together with the report of Auditors and Directors' thereon.
2. To appoint a Director in place of Mr. N. S. Lakshmanan (DIN 00062105), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Nazim Sheikh (DIN 00064275), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of Deloitte Haskins & Sells Chartered Accountants, (ICAI Registration No. 008072S), Bengaluru as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at such a remuneration as may be mutually agreed to between the Board of Directors and the Auditors.”

By order of the Board
for Star Metallics and Power Private Limited

Place : Bengaluru
Date : 29 June 2017

V. Murali
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXIES SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Corporate member intending to send its authorised representative to attend the meeting is requested to send to the Company an authority letter authorizing their representative to attend and vote on its behalf at the meeting together with a certified copy of the board resolution passed by it.
3. The route map showing directions to reach the venue of the 10th Annual General Meeting is annexed.

By order of the Board
for Star Metallics and Power Private Limited

Place : Bengaluru
Date : 29 June 2017

V. Murali
Company Secretary

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

DIRECTORS' REPORT

Your Directors are pleased to present their 10th Annual Report and Audited Statement of Accounts for the year ended 31 March 2017.

FINANCIAL RESULTS

(Amount in ₹)

Particulars	Current Year ended 31.03.2017	Previous Year ended 31.03.2016
Revenue from Operations	10,20,00,000	81,38,15,917
Other Income	1,85,29,020	86,51,638
TOTAL	12,05,29,020	82,24,67,555
Expenditure		
Cost of material consumed	-	60,17,62,622
(Increase) / Decrease in finished goods	-	-
Operating and Other Expenses	2,30,28,963	18,89,96,266
Finance Cost	187	28,82,304
Depreciation	5,07,35,654	5,08,05,052
TOTAL	7,37,64,804	84,44,46,244
Profit/(Loss) before Tax	4,67,64,216	(2,19,78,689)
Tax expenses – Current Tax of Previous Year	29,37,546	-
LESS : MAT Credit of Previous Year	(29,37,546)	-
Profit/(Loss) after Tax	4,67,64,216	(2,19,78,689)
Loss brought forward from previous year	(30,92,87,332)	(28,73,08,643)
Loss carried to Balance Sheet	(26,25,23,116)	(30,92,87,332)
Paid-up equity shares (₹10 per equity share)	9,33,79,705	9,26,15,000
Weighted average number of equity shares outstanding	9,27,34,420	9,26,15,000
Earnings Per Share		
- Basic & Diluted	0.50	(0.24)

Note: Previous year's figures have been regrouped, wherever necessary, in line with the figures of the current financial year.

During the year, your Company has made a profit before tax of ₹**467.64 lakh** (Previous year a Loss of ₹219.79 lakh) after charging depreciation of ₹**507.36 Lakh** (Previous Year ₹508.05 lakh) The profit after tax is ₹**467.64 lakh** as against the loss of ₹**219.79 lakh** incurred during the previous year. As the entire plant has been temporarily leased to the parent company, the income and profit are mainly on account of lease charges received.

FUTURE PROSPECTS

The Power and Ferroalloy Plants of your company have been leased to The Sandur Manganese & Iron Ores Ltd (SMIORE), the Holding Company temporarily for a period of 3 Years w.e.f. 1 February 2016. This arrangement is proved to be beneficial to your Company in the short term.

The Government of India is taking various measures to ensure the short and long term growth of the steel industry, which are essential to achieve the projected GDP growth in the years to come. The production of steel in India is expected to reach 150 Million Tons by the year 2020 and further to 300 Million Tons by the year 2030. Hence, in the long term, the demand for your company's products are expected to show a reasonable growth.

SUBSIDIARY

The Company has no subsidiaries.

DIVIDEND

No dividend is proposed for the year.

TRANSFER TO RESERVES

There is no transfer to reserves.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders were passed by any Regulator(s) or Court(s) or Tribunal(s), which would impact the going concern status of the Company.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

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

During the year no loans, guarantees or investments were made by the Company attracting the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Pursuance to the provisions of clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contract entered into by the Company with SMIORE, being related party is given in the prescribed format (AOC- 2) vide **ANNEXURE 'A'**.

EXTRACT OF ANNUAL RETURN

As part of this Annual Report and as stipulated under Section 134(3)(a) & 92(3) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, an extract of the annual return in form MGT 9 is attached vide **ANNEXURE 'B'**.

BOARD OF DIRECTORS

Board Meeting:

The Board of Directors met 5 times during this financial year on 27 May 2016, 4 August 2016, 11 November 2016, 03 February 2017 and 31 March 2017. The intervening gap between any two consecutive meetings of the Board did not exceed one hundred and twenty days as specified under the Companies Act, 2013.

The particulars of directors, their attendance at Board Meeting during the financial year and at the last Annual General Meeting are as under:

Name of Directors	Category / Designation	Attendance	
		Board Meetings	Last AGM
S. Y. Ghorpade	Chairman & Non- Executive Director	5	Yes
Nazim Sheikh	Non-Executive Director	5	Yes
S. H. Mohan	Non-Executive Director	4	No
N. S. Lakshmanan	Non-Executive Director	5	Yes
A. G. Suresh	Director (Projects)	5	Yes
B. Ananda Kumar	Nominee Director	5	Yes
V. Balasubramanian	Independent Director	4	Yes
S. S. Rao	Independent Director	3	Yes
Dr. H. R. Halambi	Independent Director	4	Yes

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board comprises four non-executive directors, one whole time director, one nominee director and three independent directors. The Chairman of the Board is a non-executive director.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. N. S. Lakshmanan and Mr. Nazim Sheikh, Directors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Resolutions for their re-appointment are being proposed in the accompanying notice of the meeting.

The Company has a Company Secretary and a Chief Financial Officer who constitute the Key Managerial Personnel.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 confirming that he meets the criteria of Independence as laid down in Section 149(6).

DIRECTORS' RESPONSIBILITY STATEMENT

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2016-17 and of the profit of the company for the financial year 2016-17;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Auditors have not reported any fraud during the year under review.

BOARD EVALUATION

The Companies Act, 2013 vide Section 134(3)(p) read with Rule 8 of Companies (Accounts) Rules 2014, requires the Board to carry out formal annual evaluation of its own performance, of Committees and of individual directors.

Further, as per Rule No. 8 of the Companies (Accounts) Rules 2014, all the listed companies and public companies with paid-up share capital of ₹25 crore or more, as at the end of the preceding financial year, are required to indicate the manner & criteria of formal Board evaluation in Board's Report.

Also, Schedule IV of the Companies Act, 2013 requires performance evaluation of Independent Directors to be done by the entire Board of Directors, excluding the director being evaluated (based on the criteria laid down by the Nomination and Remuneration Committee). Further, on the basis of the report of performance evaluation, it is required to be determined whether to extend or continue the term of appointment of the Independent Director.

Your company, being a subsidiary of a public company are required to comply with the said provisions.

Accordingly and as mandated by the aforementioned provisions, a mechanism for formal annual evaluation has been devised by the Company. The mechanism provides for annual evaluation at the end of each year. The performance of the Board, Committees and individual directors are evaluated based on reviews / feedback of the directors. A Report, prepared based on completed feedback form, is then placed before the Board for its review.

TRAINING OF INDEPENDENT DIRECTORS

On induction, the new Independent Directors on Board are familiarized with the nature of our Industry and our business operations. They are updated on a frequent basis with regard to operations of the Company. Any material development is intimated promptly. The Management encourages participation by the independent directors' and accordingly, any clarification sought by the Independent Directors with regard to the Company's operations is duly addressed.

Presently, no formal training programme exists. Until now, learning for the Independent Directors has been a pervasive ongoing phenomenon via participation.

Further, at the time of appointment, the Company appraises Independent Director of his/her functions, duties, roles and responsibilities as a director.

COMMITTEES OF THE BOARD

Currently, the Board has three committees namely, Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

AUDIT COMMITTEE

Composition, names of the members and their attendance at meeting during the financial year are as under:

Name of Directors	Designation	Category	No of meetings attended
S.S. Rao	Chairman	Independent Director	3
N. S. Lakshmanan	Member	Non-Executive Director	5
V. Balasubramanian	Member	Independent Director	4
Dr. H. R. Halambi	Member	Independent Director	4

The Company Secretary acts as Secretary to the Committee.

The Audit Committee met five times a year during the financial year on 27 May 2016, 4 August 2016, 11 November 2016, 3 February 2017 and 31 March 2017. The Chairman of the Audit Committee was present at the Annual General Meeting held on 14 September 2016.

NOMINATION AND REMUNERATION COMMITTEE

Composition, names of the members and their attendance at meeting during the financial year are as under:

Name of Directors	Designation	Category	No of meetings attended
V. Balasubramanian	Chairman	Independent Director	2
N. S. Lakshmanan	Member	Non-Executive Director	2
S. S. Rao	Member	Independent Director	1
Dr. H. R. Halambi	Member	Independent Director	1
B. Ananda Kumar	Member	Independent Director	2

The Company Secretary acts as Secretary to the Committee.

During the year, the Committee met twice on 27 May 2016 and 31 March 2017. All the members of the Committee were present for all the meeting except Dr. H. R. Halambi who absented himself from the meeting held on 27 May 2016 and S.S.Rao who absented himself from the meeting held on 31 March 2017.

AUDITORS

At the 7th Annual General Meeting of the Company held on 27 September 2014, M/s Deloitte Haskins & Sells, Chartered Accountants, Bengaluru have been appointed as Statutory Auditors of the Company for a period of 5 years to hold office until the conclusion of 12th Annual General Meeting. The appointment has to be ratified at each Annual General Meeting, as stipulated under Section 139 of the Companies Act, 2013. The Board, therefore, seeks the ratification of members to the appointment of Deloitte Haskins & Sells, Chartered Accountants, Bengaluru as Statutory Auditors at the ensuing 10th Annual General Meeting.

AUDITORS' REPORT

Auditors' Report on the financial statements of the Company is forming part of this Annual Report. There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report.

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

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as prescribed in Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out in **ANNEXURE- 'C'** to this report.

COST AUDITORS

Company entered into a facility lease arrangement with SMIORE under which the entire facility will be utilized by SMIORE, the Lessee. As per the said arrangement, the revenue of your company is only from lease charges and hence cost audit would not be applicable for the year 2017-18 in respect of lease rentals. Moreover, the threshold turnover limit of the Company would also be below the minimum turnover prescribed for cost audit. Your Company is therefore not required to appoint Cost Auditors for the Financial Year 2017-18.

SECRETARIAL AUDIT REPORT

Mr. ND. Satish, Practicing Company Secretary (ICSI Membership No.33507 and Certificate of Practice No.12400) was appointed to conduct the secretarial audit of the Company for Financial Year 2016-17, as required under section 204 of the Companies Act, 2013 and rules made thereunder.

The secretarial audit report for Financial Year 2016-17 forms part of the annual report as **ANNEXURE – ‘D’**.

The Secretarial Auditor has stated in his Report that there have been delays in filing of returns / e-forms with the Registrar of Companies in few circumstances. In this regard, the Board hereby states that the said delays were inadvertent and unintentional and the Company is striving to ensure timely filing of forms.

There are no further qualifications or adverse remarks in the Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's internal financial controls are deployed through an internally evolved framework that address material risks in your Company's operations and financial reporting objectives, through a combination of entity level controls (including Enterprise Risk Management, Legal Compliance Framework and Anti-fraud Mechanism such as Ethics Framework, Code of Conduct, etc.), process controls (both manual and automated), information technology based controls, period end financial reporting and closing controls and through internal audit.

It is an irrebuttable presumption that internal financial controls, no matter how well conceived and operated, cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

M/s SASS & Co., Chartered Accountants, have been appointed to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and the audit committee. In line with international practice, the internal audit plan aims at review internal controls and risks in operations. The audit committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on them.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Board is committed to maintain its independence and accordingly, one third of the Board is constituted by Independent Directors; thereby, ensuring separation of governance and management.

The policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board is appended as **ANNEXURE – ‘E’** to the annual report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with subsequent clarifications given by Ministry of Corporate Affairs, every company having a net worth of ₹500 crore or more, or turnover of ₹1000 crore or more or a net profit of ₹5 crore or more during any of three preceding financial years shall constitute a Corporate Social Responsibility Committee consisting of three or more directors, out of which at least one director shall be an Independent Director. The Board's report under sub-section (3) of section 134 of the Companies Act, 2013, shall disclose the composition of the Corporate Social Responsibility Committee.

In line with the stipulation, your Company constituted a Corporate Responsibility Committee on 7 August 2015. The Committee has been reconstituted on 11 February 2016 with the following Directors:

Composition, names of the members and their attendance at meeting during the financial year are as under:

Name of Directors	Designation	Category	No of meetings attended
S. Y. Ghorpade	Chairman	Non-Executive Director	1
V. Balasubramanian	Member	Independent Director	-
S. S. Rao	Member	Independent Director	1
Dr. H. R. Halambi	Member	Independent Director	1
B. Ananda Kumar	Member	Independent Director	1

The Company Secretary act as Secretary to the Committee.

During the year the Committee met once during the financial year on 3 February 2017. All the members of the Committee were present for all the meetings except V. Balasubramanian who absented himself from the meeting.

As stipulated under section 135 of the Companies Act, 2013, company complied with the stipulation by making the required contribution to the said activity.

The Annual Report on Company's CSR activities of the Company undertaken during the year under are furnished in **ANNEXURE – 'F'**.

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

Your Company has adopted a risk management framework to ensure early identification and management of various critical risks, which accrue to its business model and the risk management framework adopted by the Company ensures continuous focus on identifying, assessment & evaluation, and adequate mitigation of various risks affecting the Company.

The Audit committee reviews the Company's critical risks, overall risk exposure and timely changes to overall exposure and status of various risk mitigation plans on a periodic basis.

DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

PARTICULARS OF EMPLOYEES

During the period, there were no employees whose particulars are required to be disclosed in terms of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENTS

The Directors wish to thank the Board of The Sandur Manganese & Iron Ores Ltd, the holding company, Government Authorities, Banks and other stakeholders for their support. The Directors also wish to place on record their appreciation of the good work put in by the employees of the Company.

By Order of the Board
For Star Metallics and Power Private Limited

Place : Bengaluru
Date : 29 May 2017

S. Y. Ghorpade
Chairman

Form No. AOC-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)

Form for 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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
The Sandur Manganese & Iron Ores Limited Holding Company	Leasing of Ferro-alloy Plant and Power Plant	3 years	1. Leasing of Ferro –Alloy Plant and Power Plant to SMIORE at a rent of ₹85 Lakh p.m 2. Ownership of the asset remains with SMPPL 3. All Capital expenditure shall be met by SMPPL 4. Repairs & Maintenance will be the onus of SMIORE 5. SMIORE shall directly enter into contract with the existing O & M contractor on the present terms & conditions.	13 November 2015	Nil
The Sandur Manganese & Iron Ores Limited Holding Company	Procurement and supply of coal from The Singareni Collieries Ltd for usage by SMIORE as fuel for the 32 MW Captive Power Plant of the company operated by SMIORE as LESSEE.	1 year	1) Procurement and supply shall be at actual cost plus applicable taxes. 2) Not exceeding Rs. 60.00 crore during the financial year 2016-17. 3) Till the name of SMIORE is included in the records of The Singareni Collieries Ltd (SCL) as a Captive Unit or Cessation of the present Fuel Supply Agreement of the company with SCL, whichever is earlier, procurement and supply shall be done by the company. 4) The fuel supply agreement with SCL ceased on 31 March 2017.	11 November 2016	Nil

For Star Metallics and Power Private Limited

Place : Bengaluru
Date : 29 May 2017

S. Y. Ghorpade
Chairman

Form MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31 March 2017

*Pursuant to section 92(3) of the Companies Act, 2013 &
rule 12(1) of the Companies (Management and Administration) Rules, 2014*

I REGISTRATION AND OTHER DETAILS:

(i)	CIN	U40102KA2007PTC043446
(ii)	Registration date	23 July 2007
(iii)	Name of the Company	Star Metallica and Power Private Limited
(iv)	Category/Sub-category of the Company	Company Limited by Shares/Indian Non- Government Company
(v)	Address of the Registered Office & contact details	Metal & Ferro Alloys Plant P.O. Mariyammanahalli, Vyasankere, Karnataka - 583222 Email: muraliv@sandurgroup.com Website: NA
(vi)	Whether Listed Company	No
(vii)	Name address and contact details of the Registrar and Transfer Agent, if any	Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing to 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name & Description of Main Products / Services	NIC code of the Product / Service	% to total turnover of the Company
1.	Leasing Charges	NA	85

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate Company	% of Shares held	Applicable section
1	The Sandur Manganese & Iron Ores Limited Regd. Office: 'SATYALAYA', Door No.266 (Old No.80), Ward No.1, Behind Taluk Office, Sandur - 583 119, Ballari District, Karnataka	L85110KA1954PLC000759	Holding Company	80.58	2(87)(ii) of the Companies Act, 2013

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding										
	Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				%change during the year
		Number of shares held in dematerialized form	Number of shares held in physical form	Total	% of total shares	Number of shares held in dematerialized form	Number of shares held in physical form	Total	% of total shares	
A	Promoters									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	-	30,000	30,000	0.03	-	30,000	30,000	0.03	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	75,240,000	75,240,000	81.24	-	75,240,000	75,240,000	80.58	-1
(e)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(f)	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	-	75,270,000	75,270,000	81.27	-	75,270,000	75,270,000	80.61	-1
2	Foreign									
a	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b	others - Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
e	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	75,270,000	75,270,000	81.27	-	75,270,000	75,270,000	80.61	-
B	Public Shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	--	--	--	--	--	--	--	--	--
2	Non-institutions									
(a)	Bodies Corporate	-	17,345,000	17,345,000	18.73	-	18,109,705	18,109,705	19.39	1
(b)	Individuals	--	--	--	--	--	--	--	--	--
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	--	--	--	--	--	--	--	--	--
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	--	--	--	--	--	--	--	--	--
(c)	Any Other (specify)									
	i. Clearing members	--	--	--	--	--	--	--	--	--
	ii. Non Resident Individuals	--	--	--	--	--	--	--	--	--
	iii. Trust	--	--	--	--	--	--	--	--	--
	iv.Foreign Portfolio Investor - Corporate	--	--	--	--	--	--	--	--	--
	Sub-Total (B)(2)	--	17,345,000	17,345,000	18.73	--	18,109,705	18,109,705	19.39	1
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	--	17,345,000	17,345,000	18.73	--	18,109,705	18,109,705	19.39	1
	TOTAL (A)+(B)	--	92,615,000	92,615,000	100.00	--	93,379,705	93,379,705	100.00	--
(C)	Shares held by Custodians and against which Depository Receipts have been issued	NA	NA	NA	NA	NA	NA	NA	NA	NA
	GRAND TOTAL (A)+(B)+(C)	--	92,615,000	92,615,000	100.00	--	93,379,705	93,379,705	100.00	--

(ii) Shareholding of Promoters								
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of shares of the Company	% of pledged /encumbered shares	No. of shares	% of shares of the Company	% of pledged /encumbered shares	% change in shareholding during the year
1	N. S. Lakshmanan	10,000	0.01	-	10,000	0.01	-	-
2	Mohammed Shafiulla	10,000	0.01	-	10,000	0.01	-	-
3	Ahamed Shakir	10,000	0.01	-	10,000	0.01	-	-
4	The Sandur Manganese and Iron Ores Limited	75,240,000	81.24	-	75,240,000	80.58	-	-
	TOTAL	75,270,000	81.27	-	75,270,000	80.61	-	-

(iii) Change in Promoter's Shareholding					
Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of shares of the Company	No. of shares	% of shares of the Company	
N. S. Lakshmanan					
At the beginning of the year	10,000	0.01	10,000	0.01	
Purchase during the year	-	-	-	-	
Sale during the year	-	-	-	-	
At the end of the year			10,000	0.01	
Mohammed Shafiulla					
At the beginning of the year	10,000	0.01	10,000	0.01	
Purchase during the year	-	-	-	-	
Sale during the year	-	-	-	-	
At the end of the year			10,000	0.01	
Ahamed Shakir					
At the beginning of the year	10,000	0.01	10,000	0.01	
Purchase during the year	-	-	-	-	
Sale during the year	-	-	-	-	
At the end of the year			10,000	0.01	
The Sandur Manganese & Iron Ores Limited					
At the beginning of the year	75,240,000	81.24	75,240,000	81.24	
Purchase during the year	-	-	-	-	
Sale during the year	-	-	-	-	
At the end of the year			75,240,000	80.58	

(iv) Shareholding Pattern of Top Ten Shareholders other than Promoters and Directors				
Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of shares of the Company	No. of shares	% of shares of the Company
EURO INDUSTRIAL ENTERPRISES PRIVATE LIMITED				
At the beginning of the year	17,345,000	18.73	17,345,000	18.73
Purchase during the year	764,705	0.66	18,109,705	19.39
Sale during the year	-	-	-	-
At the end of the year			18,109,705	19.39

(v) Shareholding of Directors & Key Managerial Personnel				
Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of shares of the Company	No. of shares	% of shares of the Company
N.S Lakshmanan: Director				
At the beginning of the year	10000	0.01	10000	0.01
Purchase during the year	-	-	-	-
Sale during the year	-	-	-	-
At the end of the year			10000	0.01

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	1,68,78,256	--	1,68,78,256
Total (i+ii+iii)		1,68,78,256		1,68,78,256
Change in Indebtedness during the financial year				
• Addition	--	--	--	--
• Reduction	--	(1,68,78,256)	--	(1,68,78,256)
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)				

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				₹ in lakh
Sl. no.	Particulars of Remuneration	A.G. Suresh Director (Projects)	Total Amount	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	35.10	-	35.10
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify (Contributions)	1.40	-	1.40
	Total (A)	36.50		36.50
	Overall ceiling calculated in accordance with Section 198 of the Companies Act, 2013 for managerial remuneration payable: 1. To more than one Whole-time directors(10% of net profit is Rs. 50.81 Lakh). 2. To one Whole -time director (5% of net profit)			25.41
	Limit as per Schedule V of the Companies Act, 2013 in case of inadequate profits or no profits			240.00

B. Remuneration to other directors							₹ in lakh
Particulars of remuneration	N. S. Lakshmanan	S. H. Mohan	B. Ananda Kumar	V. Balasubramanian	S. S. Rao	Dr. H. R. Halambi	Total Amount
3.Independent Directors							
Fee for attending board/committee meeting	-	-	0.70	0.75	0.55	0.75	2.75
commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total (1)			0.70	0.75	0.55	0.75	2.75
4. Other Non-Executive directors							
Fee for attending board/committee meeting	0.85	0.40	-	-	-	-	1.25
commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total (2)	0.85	0.40					1.25
Total(B) = (1)+(2)							4.00
Total Managerial Remuneration							4.00
Overall ceiling as per the Companies Act, 2013 (1% of net profit calculated in accordance with Section 198, exclusive of sitting fees payable to directors)*							5.08

*Overall ceiling not applicable since no commission paid during the FY 2016-17

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager/WTD		
Sl. no.	Particulars of Remuneration	₹ in lakh
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23.22
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify (Contributions) - Employer contribution to PF	0.92
	Total (C)	24.14

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

The Company has not paid any amount by way of penalty/compounding charges.

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY:

- (i) Energy conservation measures taken : Installation of Water Spray System to control the Ambient Air temperature during summer. This has reduced the vacuum from .074 to .80 kg/cm² during summer. It indirectly reduces the specific steam consumption from 4.36 kg/kWh to 4.25 kg/cm². This reduction in steam consumption will reduce the specific coal consumption and save atleast 10 to 15 tons of coal every day.
- (ii) Steps taken by the Company for utilization of alternate sources of energy : NIL
- (iii) Capital Investment on energy Conservation Equipment : NIL

B. TECHNOLOGY ABSORPTION:

- (i) Efforts made in technology absorption : Upgraded the Ash handling system from pressurized system to Dense Phase system.
- (ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. : Reduced the down time which resulted in appreciable savings in maintenance expenses and continued upkeeping of the plant as per Environmental Norms.
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: : NA
- (a) Details of technology imported.
- (b) Year of import.
- (c) Whether the technology been fully absorbed
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.
- (iv) Expenditure incurred on Research and Development : NIL

**Form No. MR-3
SECRETARIAL AUDIT REPORT FOR
THE FINANCIAL YEAR ENDED 31ST MARCH 2017**

**[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]**

To
The Members,
STAR METALLICS AND POWER PRIVATE LIMITED
Metal & Ferro Alloys Plant,
P.O. Mariyammanahalli,
Vyasankere
Karnataka – 583 222

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STAR METALLICS AND POWER PRIVATE LIMITED**, (hereinafter called 'the Company') bearing CIN U40102KA2007PTC043446, which is a subsidiary of a public listed company. The 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **31st March, 2017**, 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, 2017** 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.
(Not applicable during the audit period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
(Not applicable during the audit period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
(Not applicable during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
(Not applicable during the audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
(Not applicable during the audit period)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
(Not applicable during the audit period)

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
(Not applicable during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
(Not applicable during the audit period)
- (f) 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.
(Not applicable during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable during the audit period) and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998
(Not applicable during the audit period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter referred as 'SEBI (LODR) 2015')
(Not applicable during the audit period)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements **(Not applicable)**

During the period under review based on the explanations and representations made by the management, the Company has generally complied with the provisions of the Companies Act, Rules, Regulations, Guidelines etc. as mentioned above *except in few circumstances that there have been delays in filing of returns/e-forms with the Registrar of Companies.*

During the period under review, based on the explanations and representations made by the Management, the Company has generally complied with the provisions of the Secretarial Standards (SS).

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following Laws and the Rules thereunder applicable specifically to the Company:

- (i) The Electricity Act, 2003
- (ii) Indian Boilers Act, 1923

During the period under review based on the explanations and representations made by the Management, the Company has generally complied with the provisions of The Electricity Act, 2003 and Indian Boilers Act, 1923.

I further report that

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

During the period under review based on the explanations and representations made by the Management, adequate notice has been given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to the directors, 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.

Decisions at the Board Meeting, as represented by Management, were taken unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period the Company has allotted 7,64,705 Equity Shares of ₹10/- each at a premium of ₹7/- each amounting to ₹1,29,99,985/- to Euro Industrial Enterprises Private Limited in full and final settlement of the liability of the Company of ₹1,30,00,000/- on 3rd February 2017 with the consent from the members of the Company by way of Special Resolution passed in the Extra-Ordinary General Meeting held on 15 December 2016 pursuant provisions of Section 62(1)(c) of the Companies Act, 2013.

I further report that during the audit period the Company has satisfied the charge created in favour of The Sandur Manganese & Iron Ores Limited for an amount of ₹89,50, 00,000/- (Rupees Eighty Nine Crore Fifty Lacs only) on its fixed assets on 25th January 2017.

Place: Bengaluru	Name and Signature : ND Satish
Date: 29 May 2017	Designation : Practicing Company Secretary
	Stamp : ACS No.33507 ; CP No.12400

Note: This report is to be read with my letter of even date which is annexed as Annexure D-I and forms an integral part of this report.

To
The Members
STAR METALLICS AND POWER PRIVATE LIMITED
Metal & Ferro Alloys Plant,
P.O. Mariyammanahalli,
Vyasankere,
Karnataka – 583 222

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

- (1) Maintenance of secretarial record 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 true facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis to strengthen my opinion.
- (3) I have not verified the accuracy, 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, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on 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.

Place: Bengaluru
Date: 29 May 2017

Name and Signature : N.D Satish
Designation : Practicing Company Secretary
Stamp : ACS No. 33507
CP No. :12400

**Policy on Nomination and Remuneration
of
Directors, Key Managerial Personnel (KMPs) and other employees**

PREAMBLE

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

DEFINITIONS

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Companies Act, 2013.

'Company' means The Star Metalics and Power Private Limited.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013.

'Key Managerial Personnel (KMP)' means-

- i) the Managing Director or the Chief Executive Officer or the Manager and in their absence, all Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer and
- iv) the Chief Operating Officer.

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads. For the purpose, as defined in the Code of Conduct for Senior Management Personnel, officers in the cadre of Additional General Manager and above shall be considered to be the Senior Management.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and rules thereunder as may be amended from time to time shall have the meaning respectively assigned to them therein.

'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.

Constitution of the Nomination and Remuneration Committee

The Board constituted the 'Nomination and Remuneration Committee' (NRC) at its 35th Meeting held on 28 March 2015.

The constitution shall be in line with the requirements under the Companies Act, 2013. The Board has authority to reconstitute the NRC from time to time.

Role of the Nomination and Remuneration Committee

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

Formulation of criteria for evaluation of Independent Directors and the Board;

Devising a policy on Board diversity;

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Scope of Policy

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers performance evaluation and remuneration.

Object of Policy

This Policy has been formulated with a view to;

1. Devise a transparent system of determining appropriate level of remuneration throughout all levels of directors, KMPs, core management team and the senior management personnel in the Company;
2. Encourage personnel to perform to their highest level;
3. Provide consistency in remuneration throughout the Company; and
4. Aligning the performance of the business with the performance of key personnel and teams within the Company.

‘Part – A’

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The following matters shall be dealt by the Committee:-

Size and composition of the Board:

Periodically review the size and composition of the Board to ensure that it is structured to make appropriate decisions, with the diversity of thought, experience, knowledge, perspective and gender in the Board, in the best interest of the Company as a whole.

Appointments/Re-appointments:

Identify when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board.

Identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board.

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

Performance Evaluation:

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

1. the remuneration of the Managing Director, Whole-time Directors and KMPs;
2. the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors;
3. the remuneration policies for KMPs, senior management personnel and other employees.

‘Part – B’

APPOINTMENT AND NOMINATION

Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company’s growth, complementary skills in relation to the other Board members.
4. Appointment process of independent directors shall be independent of the company management.
5. While selecting the independent directors the Committee shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
6. The Company shall not appoint or continue the employment of any person (other than promoter director) as whole-time Director who has attained the age of sixty five years and shall not appoint or continue any person as a Non-Executive Director (other than promoter director) who has attained the age of seventy five years.
7. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

Letter of Appointment or Contract of Employment

Executive Directors shall enter into a contract with the Company clearly setting out the terms and conditions of the remuneration package for such person. The Contract of employment shall set out the expectations for the performance, the key performance indicators, measures and criteria for assessment or evaluation of performance.

The appointment of independent directors shall be formalised through a letter of Appointment, which shall set forth the terms and conditions of appointment, the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks the list of actions that a director should not do while functioning as such in the company; and the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

Term/ Tenure

1. *Managing Director / Whole-time Director*

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

2. *Independent Director*

An Independent Director shall hold office for a term not exceeding five consecutive years on the Board of the Company and will be eligible for re-appointment for another term not exceeding five years 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, 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.

No retirement age has been fixed for Independent Director except that no person who has attained the age of 75 years shall be appointed as an Independent Director. An independent director who was appointed prior to attainment of 75 years of age will continue his first full term for which he is appointed. Similarly, an Independent Director who was appointed for a second term prior to attainment of 75 years of age will continue his office till he completes his full term. Subject to the above, an Independent Director be allowed to hold office for two consecutive terms of five years each, as stipulated in Sections 149(10) and 149(11) of the Companies Act, 2013.

At the time of appointment of Independent Director, it shall 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 (Executive) Director of a listed company.

Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Whole time directors (other than promoter directors) shall retire at the age of 65 years and the Non-Executive Directors (other than whole time directors) shall retire at the age of 75 years. The Independent Directors shall be allowed to hold office for two consecutive terms of five years each as stipulated in Sections 149(10) and 149(11) of the Companies Act, 2013;

Further, the Key Managerial Personnel (other than Whole Time Directors) and the Senior Management Personnel shall retire at the age of 60 years which may be extended up to a maximum of 65 years under exceptional circumstances to be recorded in writing and duly approved by the NRC.

'Part – C'

PERFORMANCE EVALUATION AND REMUNERATION

Performance Evaluation of the Board/Executive-Directors/Independent Directors

The Committee shall identify and lay down the criteria based on which the Board shall evaluate the performance of Independent Directors (excluding the Directors being evaluated).

In addition, the Committee shall also establish evaluation criterion for the Executive Directors.

The evaluation criterion for Directors shall be broadly based on:

- Knowledge to perform the role;
- Time and level of participation;
- Performance of duties and level of oversight; and
- Professional conduct and independence.

The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. Once a year, the Board shall conduct a self-evaluation. The Board shall also evaluate the performance of the various Committees of the Board.

It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organise the evaluation process and act on its outcome.

The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.

Simultaneously, the Independent Directors shall review the performance of the Executive Directors and the Board as whole.

The Independent Directors shall also review the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

The Independent Directors shall also assess 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.

The Directors' Report shall include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

Remuneration to Directors

The total managerial remuneration payable to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven per cent of the net profits of that company for that financial year computed in the manner laid down in section 198 except that the remuneration of the directors shall not be deducted from the gross profits.

The Directors may be paid in excess of eleven per cent of the net profits with the approval of the Central Government subject to the provisions of Schedule V.

The remuneration / compensation / commission etc. to Directors will be determined by the Committee shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder and recommended to the Board for approval.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.

Remuneration to Executive Directors

Remuneration payable to all Whole-time Directors / Executive Directors taken together shall not exceed ten per cent of the net profits.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Remuneration to Non-Executive/ Independent Directors

Non-executive and independent directors shall receive sitting fees and may receive reimbursement for expenditure incurred wholly in connection with attending meetings of the Board and other meetings and profit related commission as may be approved by the Shareholders. Non-Executive and Independent Directors shall not be entitled to any stock options.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Remuneration Structure for Independent Directors	
Particulars	Amount
Sitting fee for Board Meeting	₹10,000/- per meeting, per director including the Independent Directors meetings
Sitting fee for Committee Meeting	₹5,000/- for Audit Committee and ₹5,000/- for each of the other committees
Travel fee	Reimbursement of Air, Car, Rail, Bus fare etc.,

The remuneration payable to each Non-Executive Director and Independent Directors is based on the remuneration structure as determined by the Board in line with the provisions of the Companies Act, 2013 and the rules made thereunder, and may be revised from time to time, depending on individual contribution and the Company's performance.

Remuneration to KMPs and other employees

The Board in consultation with the Committee shall approve and finalise the remuneration to be offered to the Key Managerial Personnel and senior management personnel having regard to the need to:

- attract and motivate talent to pursue the Company's long term growth;
- demonstrate a clear relationship between executive compensation and performance;
- to follow best governance practices and legal requirements; and
- be reasonable and fair.

The remuneration package shall be composed of amounts that are fixed and variable. The endeavor of the Board and the Committee shall be to strike a balance between the fixed and variable components and thereby sustainable value for the Company and its shareholders over time. The Company while deciding the remuneration package of the senior management shall take into consideration the employment scenario and remuneration package of the industry.

The fixed remuneration shall be determined according to complexities of the position and role of the employee, the relevant laws and regulations, conditions prevalent in the labour market. The fixed remuneration shall reflect the core performance requirement and expectations of the Company.

The performance-based or incentive based payments shall form part of the variable component of the salary payable to the employee. In addition to the fixed remuneration, the Company shall implement a system of bonuses and incentives reflecting performance objectives appropriate to the working of the Company and designed to lay emphasis on direct relationship between performance and remuneration. Performance based remuneration shall be proportionate to and contingent upon attainment of specific performance targets by employees in the Company. Incentive based payments take into account factors such as performance of the employee, his conduct, responsibilities, position and role and shall be calculated as a percentage of the fixed remuneration.

Policy review

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility policy of the Company is as mandated in Section 135 of the Companies Act, 2013 and rules framed thereunder.

During the year, your Company has contributed towards CSR on Government Primary Schools in Danapur and Hanumanahalli, SGR School & SVPU College Hanumanahalli, Vidya Peetha, Hosapete, for promoting education in rural area. During the previous Financial Year 2015-16 your Company had contributed an amount of ₹0.62 lakh towards CSR activity.

Composition of the CSR Committee:

In terms of Section 135 of the Companies Act, 2013, the Board of Directors of the Company constituted a CSR Committee at its meeting held on 7 August 2015. The Committee has been reconstituted on 11 February 2016. Presently, the Committee comprises the following Directors:

S. Y. Ghorpade, Chairman & Non-Executive Director	Chairman
V. Balasubramanian, Independent Director	Member
S. S. Rao, Independent Director	Member
B. Ananda Kumar, Nominee Director	Member
Dr. H. R. Halambi, Independent Director	Member

Average net profit of the Company for last three financial years:

The Company's average net profit for last three financial years, namely 2013-14, 2014-15 and 2015-16 amounts to ₹285.47 lakh.

Prescribed CSR Expenditure (two percent of the average net profit amounting to ₹5.71lakh):

The Company is required to spend ₹5.71 lakh during the financial year 2016-17.

Details of CSR spent for the financial year:

- Total amount spent for the financial year: ₹10.80 lakh
- Amount unspent, if any: Nil
- Manner in which the amount spent during the financial year is detailed below:

₹ in Lakh

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (Location)	Amount Outlay (Budget) Project or Program wise	Amount Spent on the project or program	Cumulative Expenditure Upto reporting period	Amount spent: Direct or through implementing agency
1	SMPPL Promoting Education in Rural Area	Promoting Education	Danapur, Hanumanahalli, Hosapete, Ballari District, Karnataka.	10.80	10.80	11.42	Direct

Reasons for not spending the prescribed amount:

Not Applicable

Responsibility Statement of the CSR Committee:

We affirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board & CSR Committee

S. Y. Ghorpade
Chairman & Non-Executive
Director, CSR Committee

A. G. Suresh
Director

Place : Bengaluru
Date: 29 May 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STAR METALLICS AND POWER PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **STAR METALLICS AND POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

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.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)

Place: Bengaluru
Date: May 29, 2017
MP/SMG

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 f) under ‘Report on Other Legal and Regulator Requirements’ section 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 **STAR METALLICS AND POWER PRIVATE LIMITED** (“the Company”) as of March 31, 2017 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 Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)

Place: Bengaluru
Date: May 29, 2017
MP/SMG

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed of such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. The Company does not have any immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits.
- (vi) Having regard to the nature of the Company’s business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ lakh)*
The Customs Act, 1962	Customs Duty Including interest	Customs, Excise and Service Tax Appellate Tribunal	2012-13	3,057,083

*Net of ₹851,046 paid under protest.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures and hence reporting under clause (viii) of the Order is not applicable to the Company.

- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year under review.
In respect of the above issue, we further report that:
 - a) The requirement of section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) The amounts raised have been applied by the Company during the year for the purpose for which the funds were raised.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Place: Bengaluru
Date: May 29, 2017
MP/SMG

Monisha Parikh
Partner
(Membership No.47840)

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

BALANCE SHEET AS AT 31 MARCH, 2017

Particulars	Note No.	As at 31 March 2017 ₹	As at 31 March 2016 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	933,797,050	926,150,000
(b) Reserves and surplus	4	667,979,819	615,862,668
		<u>1,601,776,869</u>	<u>1,542,012,668</u>
2 Non-current liabilities			
Long-term provisions	5	178,939	180,744
		<u>178,939</u>	<u>180,744</u>
3 Current liabilities			
(a) Trade payables			
Total outstanding dues of Micro and Small Enterprises	22	-	-
Total outstanding dues of other than Micro and Small Enterprises		<u>31,252,161</u>	90,905,420
		<u>31,252,161</u>	90,905,420
(b) Other current liabilities	6	27,213,815	40,630,480
(c) Short-term provisions	7	1,239,741	1,406,072
		<u>59,705,717</u>	<u>132,941,972</u>
TOTAL		<u>1,661,661,525</u>	<u>1,675,135,384</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	1,469,467,171	1,513,627,339
(ii) Capital work-in-progress		<u>8,279,665</u>	11,898,115
		<u>1,477,746,836</u>	1,525,525,454
(b) Long-term loans and advances	9	22,377,139	37,006,391
(c) Other non-current assets	10	-	18,189,349
		<u>1,500,123,975</u>	<u>1,580,721,194</u>
2 Current assets			
(a) Inventories	11	-	778,202
(b) Trade receivables	12	61,422,962	21,087,693
(c) Cash and bank balances	13	89,419,983	47,968,732
(d) Short-term loans and advances	14	9,147,979	23,974,131
(e) Other current assets	15	1,546,626	605,432
		<u>161,537,550</u>	<u>94,414,190</u>
TOTAL		<u>1,661,661,525</u>	<u>1,675,135,384</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Monisha Parikh
Partner

Nazim Sheikh
Director

A G Suresh
Director

Place : Bengaluru
Date : 29 May, 2017

V. Murali
Company Secretary

Sachin Sanu
Chief Financial Officer

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	Note No.	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
1 Revenue from operations	16	102,000,000	813,815,917
2 Other income	17	18,529,020	8,651,638
3 Total revenue (1 + 2)		<u>120,529,020</u>	<u>822,467,555</u>
4 Expenses			
(a) Cost of coal consumed for power generation	26 b)	-	598,080,658
(b) Cost of materials consumed	26 a)	-	3,681,964
(c) Employee benefits expense	18	8,965,218	40,533,004
(d) Finance costs	19	187	2,882,304
(e) Depreciation	8	50,735,654	50,805,052
(f) Other expenses	20	14,063,745	148,463,262
Total expenses		<u>73,764,804</u>	<u>844,446,244</u>
5 Profit / (Loss) before tax (3 - 4)		46,764,216	(21,978,689)
6 Tax expense			
(a) Current tax		-	-
(b) Short provision for tax relating to prior year		2,937,546	-
(c) MAT credit		(2,937,546)	-
(d) Deferred tax	33	-	-
7 Profit / (Loss) after tax (5 - 6)		46,764,216	(21,978,689)
8 Earnings per share of ₹ 10 each			
Basic and Diluted	32	0.50	(0.24)

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Monisha Parikh
Partner

Nazim Sheikh
Director

A G Suresh
Director

Place : Bengaluru
Date : 29 May, 2017

V. Murali
Company Secretary

Sachin Sanu
Chief Financial Officer

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	46,764,216	(21,978,689)
Adjustments for:		
- Depreciation	50,735,654	50,805,052
- Finance costs	187	2,882,304
- Bad trade receivables, loans and advances written off	2,402,421	616,155
- Provisions / Liabilities no longer required written back	(10,877,814)	(819,779)
- Profit on sale of fixed assets	(22,723)	-
- Unrealised foreign currency fluctuation	526,976	167,703
- Interest income	(4,590,477)	(4,011,668)
Operating profit before working capital changes	84,938,440	27,661,078
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	778,202	184,880,686
Trade receivables	(40,335,269)	5,831,566
Short-term loans and advances	12,423,731	16,255,507
Long-term loans and advances	-	19,497,954
Non current asset	16,407,000	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(44,736,564)	(157,801,385)
Short-term provisions	(166,331)	(189,410)
Long-term provisions	(1,805)	(3,523,842)
Other long-term liabilities	-	(99,004,080)
Other current liabilities	3,461,591	(89,060,653)
	(52,169,445)	(123,113,657)
Cash generated from operations	32,768,995	(95,452,579)
Net income tax (paid) / refund	14,624,252	(5,836,224)
Net cash flow (used in) / from operating activities (A)	47,393,247	(101,288,803)
B. Cash flow from investing activities		
Capital expenditure on fixed assets (including capital work in progress and advance on capital account)	(2,976,966)	(7,987,363)
Proceeds from sale of fixed assets	42,653	
Bank balances not considered as cash and cash equivalents	(28,970,105)	15,686,016
Interest received	5,431,632	3,149,343
Net cash flow (used in) / from investing activities (B)	(26,472,786)	10,847,996

C. Cash flow from financing activities

Interest payments		<u>(8,439,315)</u>	<u>(2,882,304)</u>
Net cash flow used in financing activities	(C)	<u>(8,439,315)</u>	<u>(2,882,304)</u>

Net increase / (decrease) in cash and cash equivalents (A+B+C) 12,481,146 (93,323,111)

Cash and cash equivalents at the beginning of the year 44,968,732 138,291,843

Cash and cash equivalents at the end of the year (Refer note below) 57,449,878 44,968,732

Reconciliation of cash and cash equivalents with Balance Sheet 12,481,146 (93,323,111)

Note:

Cash and cash equivalents (Refer note 13) 89,419,983 47,968,732

Less: Deposits against guarantee not considered as cash and 31,970,105 3,000,000

cash equivalent 57,449,878 44,968,732

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Monisha Parikh
Partner

Nazim Sheikh
Director

A G Suresh
Director

Place : Bengaluru
Date : 29 May, 2017

V. Murali
Company Secretary

Sachin Sanu
Chief Financial Officer

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

1 Corporate information

The Company is a subsidiary of The Sandur Manganese & Iron Ores Limited (SMIORE), a listed public limited company. The Company is engaged in the production of Ferroalloys and generation of power at its plant located at Vyasankere, near Hospet in Bellary District. The Company has entered into a facility lease agreement with its Holding Company w.e.f. February 1, 2016, consequently it earns only lease rentals towards the same.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The Company uses prudent and reasonable assumptions and estimates in the preparation of its financial statements and these are reflected in the reported amounts of income and expenses during the year and the reported balances of assets and liabilities and disclosures relating to contingent liabilities, as at the date of the financial statements.

2.3 Fixed assets

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.4 Depreciation

Depreciation amount for assets is the cost of an asset or the amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act.

2.5 Capital work-in-progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.6 Impairment of fixed assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

2.7 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.8 Inventories

Inventories are valued at lower of cost and net realisable value.

The costs are, in general, ascertained as under:

Raw materials and stores and spares: Weighted average method based on actual cost.

Finished goods and Work-in-progress: Material cost on weighted average method plus labour and appropriate overheads, and where applicable, excise duty.

2.9 Revenue recognition

Revenue from sale of goods is recognised when goods are dispatched in accordance with the terms of sale and when significant risks and rewards are considered as transferred and are recorded net of sales returns, trade discount, rebates and sales tax collected but includes excise duty, where applicable.

Revenue from sale of power is recognised on accrual basis based on the power generated and supplied as per applicable rates from time to time and includes unbilled revenues accrued up to the end of the accounting year.

Revenue from leasing is recognised on accrual basis.

Revenue from conversion contracts is recognised at the time of dispatch of goods to the contractor.

2.10 Foreign currency transactions

Initial recognition

Transactions in foreign currency entered into by the Company are recorded on the basis of the exchange rate prevailing as on the date of transaction or at rates that closely approximate the rate at the date of transaction.

Measurement at the balance sheet date

Monetary assets and liabilities of the Company, denominated in foreign currency, outstanding at the balance sheet date are restated at rates prevailing at the year-end.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.11 Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

a) Short term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive/ bonus and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

STAR METALLICS AND POWER PRIVATE LIMITED
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Notes forming part of the financial statements

The cost of short-term compensated absences is accounted as under:

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
 - (ii) in case of non-accumulating compensated absences, when the absences occur.
- b) Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

c) Defined Contribution Plan:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

d) Defined Benefit Plan:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

2.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.14 Leases

A lease is classified as an Operating Lease, if it does not transfer substantially all the risks and rewards incidental to ownership. Lease rentals are charged to statement of profit and loss on straight-line basis over the lease term, estimated by the management.

2.15 Segment reporting

Segments are identified based on the types of products and the internal organization and management structure. The Company has identified business segment as primary reporting segment.

The Company's primary segment is Ferroalloys and Power.

2.16 Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT)

MAT paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in the future years. Accordingly, MAT is recognised as an asset in the Balance Sheet where it is highly probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the statement of profit and loss.

2.17 Earnings per share

The basic earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

2.18 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are neither recognised nor disclosed in the financial statements.

2.19 Operating cycle

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule III of the 2013 Act. Normal operating cycle is based on the time between the acquisition of assets for processing and their realisation into cash and cash equivalents.

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

3 Share capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹10 each with voting rights	100,000,000	1,000,000,000	100,000,000	1,000,000,000
(b) Issued, subscribed and fully paid up Equity shares of ₹10 each with voting rights	93,379,705	933,797,050	92,615,000	926,150,000
	93,379,705	933,797,050	92,615,000	926,150,000

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Fresh issue	Bonus / other changes	Closing Balance
Equity shares with voting rights				
As at 31 March, 2017				
- Number of shares	92,615,000	764,705	-	93,379,705
- Amount (₹)	926,150,000	7,647,050	-	933,797,050
As at 31 March, 2016				
- Number of shares	92,615,000	-	-	92,615,000
- Amount (₹)	926,150,000	-	-	926,150,000

(ii) Rights, preference and restriction attached to shares:

The Company has only one class of equity share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Directors is subject to approval by the Shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are entitled to receive only residual assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by each Shareholder holding more than 5% shares:

Name of shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	% of share holding	Number of shares held	% of share holding
Equity shares with voting rights				
The Sandur Manganese & Iron Ores Limited, the Holding Company	75,240,000	80.58	75,240,000	81.24
Euro Industrial Enterprises Private Limited	18,109,705	19.39	17,345,000	18.73

STAR METALLICS AND POWER PRIVATE LIMITED
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Notes forming part of the financial statements

	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
4 Reserves and surplus		
Securities premium reserve		
Opening balance	925,150,000	925,150,000
Add: Premium on issue of equity shares	5,352,935	-
Closing balance	<u>930,502,935</u>	<u>925,150,000</u>
Deficit in statement of profit and loss		
Opening balance	(309,287,332)	(287,308,643)
Add : Profit / (Loss) for the year	46,764,216	(21,978,689)
	<u>(262,523,116)</u>	<u>(309,287,332)</u>
	<u>667,979,819</u>	<u>615,862,668</u>
5 Long-term provisions		
Provision for gratuity (Refer note 28A)	69,161	66,133
Provision for compensated absences (Refer note 28B)	109,778	114,611
	<u>178,939</u>	<u>180,744</u>
6 Other current liabilities		
Statutory remittances	4,638,160	1,131,807
Interest accrued on borrowings	-	16,878,256
Payables on purchase of fixed assets	15,030,625	15,030,625
Advances from customers	-	44,762
Security / other deposits received	100,000	100,000
Retention money payable	7,445,030	7,445,030
	<u>27,213,815</u>	<u>40,630,480</u>
7 Short-term provisions		
Provision for gratuity (Refer note 28A)	451,907	553,341
Provision for compensated absences (Refer note 28B)	787,834	852,731
	<u>1,239,741</u>	<u>1,406,072</u>

8 Fixed Assets

Description Note (1)	Gross block (₹)			Accumulated depreciation (₹)			Net block (₹)			
	Balance as at 01 April, 2016	Additions / adjustments	Disposals	Balance as at 31 March, 2017	Balance as at 01 April, 2016	For the year	On disposals	Balance as at 31 March, 2017	Balance as at 31 March, 2017	Balance as at 31 March, 2016
Tangible assets										
Freehold land	138,339,089	-	-	138,339,089	-	-	-	-	138,339,089	138,339,089
	(138,339,089)	(-)	(-)	(138,339,089)	(-)	(-)	(-)	(-)	(138,339,089)	(138,339,089)
Buildings and roads	189,835,686	-	-	189,835,686	36,071,626	6,795,367	-	42,866,993	146,968,693	153,764,060
	(189,393,949)	(441,737)	-	(189,835,686)	(29,280,636)	(6,790,990)	(-)	(36,071,626)	(153,764,060)	(160,113,313)
Plant and machinery	1,569,409,981	5,491,166	-	1,574,901,147	355,204,464	41,996,265	-	397,200,729	1,177,700,418	1,214,205,517
	(1,567,532,227)	(1,877,754)	(-)	(1,569,409,981)	(313,330,918)	(41,873,546)	(-)	(355,204,464)	(1,214,205,517)	(1,254,201,309)
Vehicles	3,701,054	849,297	170,000	4,380,351	1,880,465	537,807	150,070	2,268,202	2,112,149	1,820,589
	(3,701,054)	(-)	(-)	(3,701,054)	(1,371,711)	(508,754)	(-)	(1,880,465)	(1,820,589)	(2,329,343)
Computer systems	2,056,740	19,845	-	2,076,585	1,629,010	261,479	-	1,890,489	186,096	427,730
	(1,987,890)	(68,850)	(-)	(2,056,740)	(1,237,189)	(391,821)	(-)	(1,629,010)	(427,730)	(750,701)
Office equipments	4,057,900	235,108	-	4,293,008	2,482,944	515,829	-	2,998,773	1,294,235	1,574,956
	(3,859,059)	(198,841)	(-)	(4,057,900)	(1,871,880)	(611,064)	(-)	(2,482,944)	(1,574,956)	(1,987,179)
Furniture and fixtures	6,005,036	-	-	6,005,036	2,509,638	628,907	-	3,138,545	2,866,491	3,495,398
	(6,005,036)	(-)	(-)	(6,005,036)	(1,880,761)	(628,877)	(-)	(2,509,638)	(3,495,398)	(4,124,275)
	1,913,405,486	6,595,416	170,000	1,919,830,902	399,778,147	50,735,654	150,070	450,363,731	1,469,467,171	1,513,627,339
	(1,910,818,304)	(2,587,182)	(-)	(1,913,405,486)	(348,973,095)	(50,805,052)	(-)	(399,778,147)	(1,513,627,339)	(1,561,845,209)

Notes:

(1) Represents owned assets, unless otherwise stated.

(2) Previous years figures are in brackets

(3) All the assets are given on operating lease w.e.f. 01 February, 2016 (Refer Note 31). The depreciation recognised in the statement of profit and loss for these assets is ₹ 50,735,654. (PY ₹ 8,316,235)

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Notes forming part of the financial statements

	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
9 Long-term loans and advances		
(Unsecured, considered good)		
Capital advances	5,807,351	5,807,351
Security deposits	4,619,473	4,624,473
Advance income tax	9,012,769	26,574,567
MAT credit entitlement	2,937,546	-
	<u>22,377,139</u>	<u>37,006,391</u>
10 Other non-current assets		
Deposits against guarantees with maturity of more than 12 months from the balance sheet date (Refer note 13)	-	16,407,000
Interest accrued but not due on deposits	-	1,782,349
	<u>-</u>	<u>18,189,349</u>
11 Inventories		
(At lower of cost and net realisable value)		
Stores and spares	-	778,202
	<u>-</u>	<u>778,202</u>
12 Trade receivables		
(Unsecured)		
Trade receivables outstanding for a period exceeding six months from due date		
Considered good	699,240	-
Considered doubtful	4,957,377	4,957,377
Less : Provisions for doubtful trade receivables	(4,957,377)	(4,957,377)
Other trade receivables		
Considered good	60,723,722	21,087,693
	<u>61,422,962</u>	<u>21,087,693</u>
13 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	15,502	55,195
Balances with banks		
In current accounts	12,697,136	22,843,323
In EEFC accounts	58,930	63,036
Deposit accounts	44,678,310	22,007,178
	<u>57,449,878</u>	<u>44,968,732</u>
Other bank balances		
Deposits against guarantees	18,970,105	19,407,000
Deposits with original maturity of more than 3 months	13,000,000	-
Less: Amount disclosed under non-current assets (Refer note 10)	-	16,407,000
	<u>31,970,105</u>	<u>3,000,000</u>
	<u>89,419,983</u>	<u>47,968,732</u>

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
14 Short-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Prepaid expenses	7,712	879,961
Security deposit	3,438,000	3,438,000
Balances with government authorities	2,183,937	10,239,350
Advance to suppliers		
Considered good	3,518,330	9,416,820
Considered doubtful	296,499	296,499
	<u>3,814,829</u>	<u>9,713,319</u>
Less: Provision for doubtful advances	296,499	296,499
	<u>3,518,330</u>	<u>9,416,820</u>
	<u>9,147,979</u>	<u>23,974,131</u>
15 Other current assets		
Interest accrued but not due on deposits	1,546,626	605,432
	<u>1,546,626</u>	<u>605,432</u>
16 Revenue from operations		
(a) Sale of products		
Sale of power	-	463,098,236
Total (a)	<u>-</u>	<u>463,098,236</u>
(b) Other operating revenues		
Leasing income	102,000,000	17,000,000
Conversion charges	-	237,517,351
Sale of raw materials / stores and spares	-	95,850,007
Sale of scrap	-	350,323
Total (b)	<u>102,000,000</u>	<u>350,717,681</u>
Revenue from operations (a+b)	<u>102,000,000</u>	<u>813,815,917</u>
17 Other income		
Interest on		
Fixed deposits with banks	4,396,052	3,798,428
Security deposits	194,425	213,240
Income tax refund	1,182,986	-
	<u>5,773,463</u>	<u>4,011,668</u>
Foreign exchange fluctuation (net)	-	3,579,947
Other non-operating income		
Provisions / Liabilities no longer required written back	10,877,814	819,779
Profit on Sale of Fixed Assets	22,723	-
Insurance claim received	1,751,544	-
Miscellaneous income	103,476	240,244
	<u>12,755,557</u>	<u>1,060,023</u>
	<u>18,529,020</u>	<u>8,651,638</u>

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Notes forming part of the financial statements

	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
18 Employee benefits expense		
Salaries, wages and bonus	8,698,500	35,996,884
Contribution to provident fund (Refer note 28C)	270,864	1,345,755
Gratuity expense (Refer note 28A)	(90,966)	757,855
Staff welfare expenses	86,820	2,432,510
	8,965,218	40,533,004
19 Finance costs		
Interest expense on		
Trade payables	-	2,874,846
Delayed payment of income tax and other taxes	187	7,458
	187	2,882,304
20 Other expenses		
Operation and maintenance charges	-	29,465,290
Stores and spares consumed (Refer Note 26C)	778,202	55,512,964
Power and fuel	-	7,335,062
Rent (Refer Note 31) (net of recoveries ₹ Nil, 31 March, 2016 ₹ 267,682)	710,000	1,488,960
Repairs and maintenance		
Plant and machinery	-	3,509,045
Buildings	-	230,943
Others	25,923	2,499,805
	25,923	6,239,793
Insurance	1,405,208	2,491,760
Rates and taxes (Net of recoveries ₹ 24,150,105, 31 March, 2016 ₹ 11,515,982)	1,855,157	5,167,920
Travelling and conveyance	186,969	768,939
Vehicle expenses	180,797	1,809,707
Selling expenses	-	2,188,897
Legal and professional charges	1,934,944	2,852,926
Payments to auditors (Refer note 34)	1,679,797	1,873,779
Sub-contracting charges	-	20,058,367
Security charges	-	4,865,946
Foreign exchange fluctuation (net)	526,976	-
Bad trade receivables, loans and advances written off	2,402,421	616,155
Prior period expense (represents exchange fluctuation in previous year)	-	3,282,094
Miscellaneous expenses (Net of recoveries ₹ 1,481,718, 31 March, 2016 ₹ Nil)	2,377,351	2,444,703
	14,063,745	148,463,262

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Notes forming part of the financial statements

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
21 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities (Claims against the company not acknowledged as debt)		
Customs duty	31,421,129	29,378,954
Differential rate relating to sale of power, including interest	20,917,033	-
(ii) Capital commitments		
Estimated amount of contracts to be executed on capital account (net of advances) and not provided for	1,422,901	1,422,901

22 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end on the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

23 Derivative disclosures

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below: Amount payable in foreign currency on account of the following:

Particulars	For the year ended 31st March, 2017		For the year ended, 31st March, 2016	
	Amount in ₹	Foreign Currency \$	Amount in ₹	Foreign Currency \$
Trade Payable	2,938,809	45,325	2,415,939	45,325

24 Value of imports calculated on C.I.F basis

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Raw materials	-	326,270,836
Stores and spares	-	817,171
Plant and Machinery	-	3,558,669
	-	<u>330,646,676</u>

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
25 Expenditure in foreign currency	-	-

26 a) Cost of materials consumed

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
For production:		
Dolomite	-	427,945
Quartz	-	2,417,526
Other Materials	-	98,950
	-	<u>2,944,421</u>
For sale:		
Coal	-	199,650
Quartz	-	363,038
Other materials	-	174,855
	-	<u>737,543</u>
Total	-	<u>3,681,964</u>

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
	%	%
Whereof:		
Imported	-	-
Indigenous	-	100
	-	100
	-	3,681,964
	-	<u>3,681,964</u>

Note:

The value of raw materials and components consumed is arrived at on the basis of purchases less closing stock. Consumption therefore includes adjustment for shortage / excess, used for captive consumption, write-off, etc.

b) Consumption of coal

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Imported	-	330,646,676
Indigenous *	-	267,433,982
	-	<u>598,080,658</u>

* Includes coal sold costing ₹ Nil (for the year ended 31 March 2016 : ₹ 59,733,638)

c) Consumption of stores and spares

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
	%	%
Imported	-	1
Indigenous *	100	99
	100	100
	-	817,171
	-	<u>54,695,793</u>
	-	<u>55,512,964</u>

* Includes stores and spares sold costing ₹ Nil (for the year ended 31 March 2016 : ₹ 35,378,826)

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	<u>₹</u>	<u>₹</u>
27 Earnings in foreign exchange		
Export of goods calculated on F.O.B basis	-	-
	<u>-</u>	<u>-</u>

28 Employee benefit plan:

A. Defined Benefit Plan - Unfunded:

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	<u>₹</u>	<u>₹</u>

Details of post retirement gratuity plan are as follows:

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Obligations at the beginning of the year	619,474	2,329,418
Add: Current service cost	-	546,711
Add: Interest cost	-	169,876
Add/ (Less): Actuarial losses/(gains) on obligations	(90,966)	41,268
(Less): Liabilities transferred on account of transfer of employees to holding company	-	(2,164,761)
(Less): Benefits paid during the year	(7,440)	(303,038)
Obligations at the end of the year	521,068	619,474

b) Reconciliation of opening and closing balances of the fair value of plan assets:

Fair Value of plan assets at the beginning of the year	-	-
Add: Expected return on plan assets	-	-
Add/(less): actuarial gains/(losses)	-	-
Add: Contributions by employer	-	-
(Less): Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

c) Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet:

Present value of obligation	521,068	619,474
(Less): Fair value of plan assets	-	-
Amount recognised in the balance sheet		
- Current	451,907	553,341
- Non-current	69,161	66,133
	<u>521,068</u>	<u>619,474</u>

d) Expenses recognised in the statement of profit and loss under "Gratuity" in note 18:

Current service cost	-	546,711
Add: Interest cost	-	169,876
(Less): Expected return on plan assets	-	-
Add: Actuarial losses/(gains) recognised during the year	(90,966)	41,268
	<u>(90,966)</u>	<u>757,855</u>

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Notes forming part of the financial statements

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	<u>₹</u>	<u>₹</u>
e) Principal actuarial assumptions:		
Discount rate per annum	7.10%	7.50%
Salary escalation rate	6.00%	5.00%
Attrition rate	6.00%	5.00%
Retirement age	60 years	60 years
Mortality rate	IALM (2006-08) UIT Table	IALM (2006-08) UIT Table

f) Summary of defined benefit obligation / plan assets and experience adjustments:	2016-17	2015-16	2014-15	2013-14	2012-13
experience adjustments:	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Defined benefit obligation	521,068	619,474	2,329,418	1,560,639	832,024
Plan assets	-	-	-	-	-
(Deficit) / surplus	(521,068)	(619,474)	(2,329,418)	(1,560,639)	(832,024)
Experience adjustments on plan liabilities – gain / (loss)	90,966	2,126,211	(262,963)	(324,005)	(352,912)
Experience adjustments on plan assets – gain / (loss)	-	-	-	-	-

B. Other long term benefit – Unfunded

	As at 31 March, 2017	As at 31 March, 2016
	<u>₹</u>	<u>₹</u>
The defined benefit obligation which is provided for but not funded is as under		
Liability for compensated absence at the year end		
- Current	787,834	852,731
- Non-current	109,778	114,611
	897,612	967,342

The actuarial valuation has been carried out using project unit credit method in respect of compensated absences based on assumptions given in respect of gratuity valuation.

Notes:

The discount rate for defined benefit plan and other long term benefit is based on the prevailing market yields of Indian Government securities as at the balance sheet for the estimated term of obligations. The estimate of future salary increases considered for defined benefit plan and other long term benefit takes into account the inflation, seniority, promotion, increments and other relevant factors.

C. Defined Contribution Plan:

The Company makes provident fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 270,864 (year ended 31 March, 2016 ₹ 1,345,755) for contribution to provident fund in note 18 in the statement of profit and loss (as part of contribution to provident fund). The contributions payable to the plan by the Company are at rates specified in the rules of the scheme.

The Company has made provident fund contributions at predetermined rates to the SMIORE Employees' Provident Fund Trust and to the Regional Provident Fund Commissioner towards employee pension scheme.

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

29. Segment reporting

a) Primary segment:

Effective 1 April 2016, the Company has reviewed its business oversight mechanism and has realigned all its operations under single business segment (i.e.) "Ferro Alloys and Power", based on the assessment of the overall risks and rewards.

b) Information on geographic segments:

The Company operates in a single geographical segment and accordingly, secondary segments for geographical segment, as envisaged in Accounting Standard-17 on Segment Reporting are not applicable.

30 Related Party Disclosures

A Names of related parties and description of relationship

Sl.No.	Description of relationship	Names of related parties
a	Ultimate holding company	Skand Private Limited
b	Holding company	The Sandur Manganese & Iron Ores Limited (SMIORE)
c	Enterprise having significant influence	Euro Industrial Enterprises Private Limited (EIEPL)
d	Key management personnel	S H Mohan - Director (upto September 7, 2015) P Sridaran - Director (Operations) (upto August 31, 2015) A G Suresh - Director (Projects)

STAR METALLICS AND POWER PRIVATE LIMITED
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Notes forming part of the financial statements

B Summary of transactions with related parties, during the year and year end balances are as follows

₹

Sl. No.	Nature of Transactions / Balances outstanding	Holding Company	Enterprise having significant influence	Key Management Personnel	Total
1	Salaries and wages:				
	- P. Sridaran	-	-	-	-
		(-)	(-)	(1,676,250)	(1,676,250)
	- A. G. Suresh	-	-	3,650,400	3,650,400
		(-)	(-)	(3,524,850)	(3,524,850)
2	Sale of materials / stores and spares / power				
	- to SMIORE	485,051,010	-	-	485,051,010
		(95,850,007)	(-)	(-)	(95,850,007)
	- on behalf of SMIORE (Refer note iii)	112,523,478	-	-	112,523,478
		(179,407,040)	(-)	(-)	(179,407,040)
3	Purchase of materials				
	- on behalf of SMIORE (Refer note iii)	485,051,010	-	-	485,051,010
		(32,729,249)	(-)	(-)	(32,729,249)
4	Income toward conversion charges				
	- from SMIORE	-	-	-	-
		(237,517,351)	(-)	(-)	(237,517,351)
5	Leasing income				
	- from SMIORE (Refer note iii)	102,000,000	-	-	102,000,000
		(17,000,000)	(-)	(-)	(17,000,000)
6	Recovery of expense				
	- from SMIORE	25,631,823	-	-	25,631,823
		(11,783,664)	(-)	(-)	(11,783,664)
7	Reimbursement of expense				
	- to SMIORE	-	-	-	-
		(1,983,186)	(-)	(-)	(1,983,186)
8	Allotment of equity shares				
	- to EIEPL	-	12,999,985	-	12,999,985
		(-)	(-)	(-)	(-)
9	Liabilities written back				
	- interest waived off by EIEPL	-	8,490,443	-	8,490,443
		(-)	(-)	(-)	(-)
10	Amount receivables on behalf of SMIORE transferred to SMIORE as at year end	9,552,855	-	-	9,552,855
		(43,075,390)	(-)	(-)	(43,075,390)
	Balances as at the year end:				
11	Amount due as at year end:				
	- to SMIORE	-	-	-	-
		(30,425,805)	(-)	(-)	(30,425,805)
	- from SMIORE	60,723,722	-	-	60,723,722
		(-)	(-)	(-)	(-)
	- to EIEPL	-	-	-	-
		(-)	(29,878,256)	(-)	(29,878,256)
	- to A. G. Suresh	-	-	206,800	206,800
		(-)	(-)	(182,700)	(182,700)
12	Corporate guarantee issued on behalf of the Company by				
	- SMIORE	105,000,000	-	-	105,000,000
		(105,000,000)	(-)	(-)	(105,000,000)

Notes:

- The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.
- The above transactions are compiled from the date from which these parties became related.
- The above transactions are entered pursuant to facility lease agreement by the company with SMIORE. The lease agreement is for a period of three years and it is cancellable in nature.
- There are no amounts written off /written back during the year with respect to debts due from or to related parties except as disclosed above.
- Previous year figures are in brackets.

STAR METALLICS AND POWER PRIVATE LIMITED
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Notes forming part of the financial statements

31 Operating Leases:

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Lease payments recognised in the statement of profit and loss	710,000	1,488,960

The Company had entered into operating lease arrangements for residential accommodation. The leases are generally for a period of 6 months to 24 months and with renewal options after the lease term. The operating leases are cancellable by the lessor or the lessee, with a notice of two to three months.

Operating leases as Lessor:

The Company has entered into operating leases with its Holding Company for the period of 3 years in respect of assets at ferroalloys & power plant, office premises and residential premise. The leasing arrangement is cancellable and is renewable by mutual consents. During the year the Company has received rental income of Rs. 102,000,000 (PY: Rs. 17,000,000) which is disclosed under note 16. There is no contingent rent.

32 Earnings per share

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Nominal value of equity share (₹)	10	10
Weighted average number of equity shares outstanding	92,734,420	92,615,000
Profit / (Loss) after taxation considered for calculation of basic and diluted earnings per share (₹)	46,764,216	(21,978,689)
Earnings Per Share – Basic and Diluted (₹)	0.50	(0.24)

33 Deferred tax

The net Deferred tax as at 31 March, 2017 amounting to ₹ Nil (as at 31 March, 2016: ₹ Nil) has been arrived at as follows:

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
A Deferred tax assets arising from:		
Unabsorbed depreciation allowance *	218,054,417	201,688,566
	218,054,417	201,688,566
B Deferred tax liabilities arising from:		
Difference between carrying amount of fixed assets in the financial statements and the Income tax return	218,054,417	201,688,566
	218,054,417	201,688,566
Net deferred tax asset / (liability) (A-B)	-	-
Net deferred tax charge for the year	-	-

*Recognised to the extent that there are compensatory timing differences the reversal of which will result in sufficient future taxable income against which this can be realised.

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

Notes forming part of the financial statements

34 Payment to auditors (net of service tax credit)

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
For Statutory audit	1,400,000	1,550,000
For Tax audit	300,000	300,000
For Reimbursement of out of pocket expenses and levies	29,797	23,779
Total	1,729,797	1,873,779

35 Details of specified bank notes held and transacted during the period November 08, 2016 to December 30, 2016:

	SBNs	Other denomination notes	Total
Closing cash on hand as on 08.11.2016	19,500.00	13,023.00	32,523.00
(+) Permitted Receipts	-	50,000.00	50,000.00
(-) Permitted Payments	-	37,940.00	37,940.00
(-) Amount Deposited to Banks	19,500.00	-	19,500.00
Closing cash on hand as on 30.12.2016	-	25,083.00	25,083.00

36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signatures to Notes 1 to 36
For and on behalf of the Board of Directors

Nazim Sheikh
Director

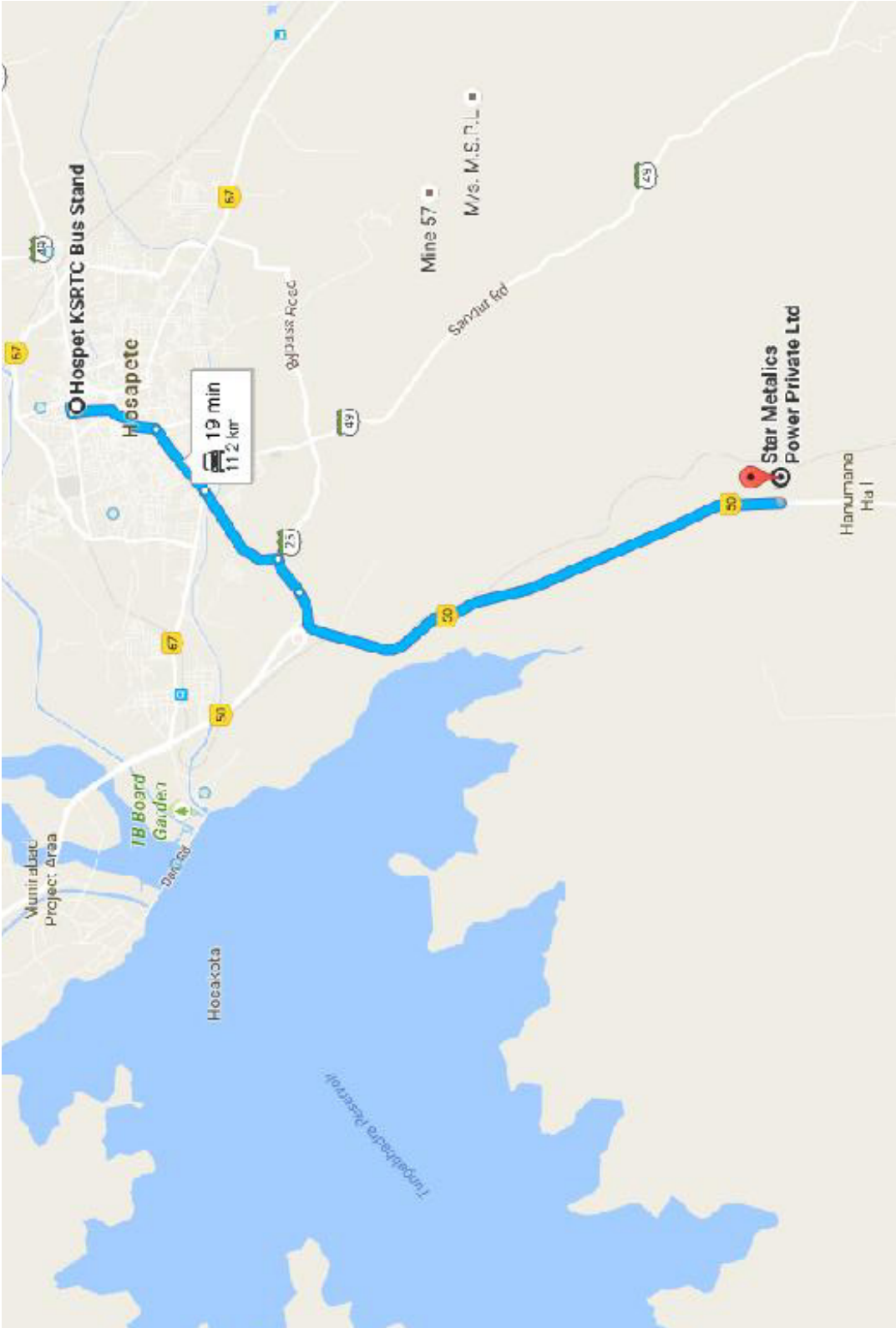
A G Suresh
Director

Place: Bengaluru
Date: May 29, 2017

V. Murali
Company Secretary

Sachin Sanu
Chief Financial Officer

ROUTE MAP TO THE VENUE OF THE AGM



Star Metallies and Power Private Limited

CIN:U40102KA2007PTC043446

Registered Office: Metal& Ferroalloys Plant, Vyasankere,
Mariyammanahalli - 583 222, Hosapete Taluk, Ballari Dist., Karnataka

PROXY FORM

Form MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the member (s) :
Registered Address :
E-mail Id :
Folio No / Client Id :
DP ID. :

I / We, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Mr./Ms. _____, _____ (name of the proxy), _____ (signature of proxy)

Address
Email:

or failing him/her

2. Mr./Ms. _____, _____ (name of the proxy), _____ (signature of proxy)

Address
Email:

or failing him/her

3. Mr./Ms. _____, _____ (name of the proxy), _____ (signature of proxy)

Address
Email:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Tuesday, 26 September 2017, at 3.30 p.m.IST, and at any adjournment thereof in respect of such resolution as are indicated below:

RESOLUTIONS	FOR	AGAINST
Item No.1		
Item No.2		

RESOLUTIONS	FOR	AGAINST
Item No.3		
Item No.4		

Signed this _____ day of _____ 2016

Signature of Shareholder _____

Signature of Proxy Holder(s) _____

Affix
Revenue
Stamp

NOTE: THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Star Metallies and Power Private Limited

CIN:U40102KA2007PTC043446

Registered Office: Metal& Ferroalloys Plant, Vyasankere,
Mariyammanahalli - 583 222, Hosapete Taluk, Ballari Dist., Karnataka

BALLOT PAPER

Sl. No.

1.	Name(s) of Shareholder(s) (in BLOCK LETTERS) (including Joint Holders, if any)	
2.	Registered Address of the Sole / First Named Shareholder	
3.	Regd. Folio / DP ID & Client ID No.:	
4.	Number of Shares held:	

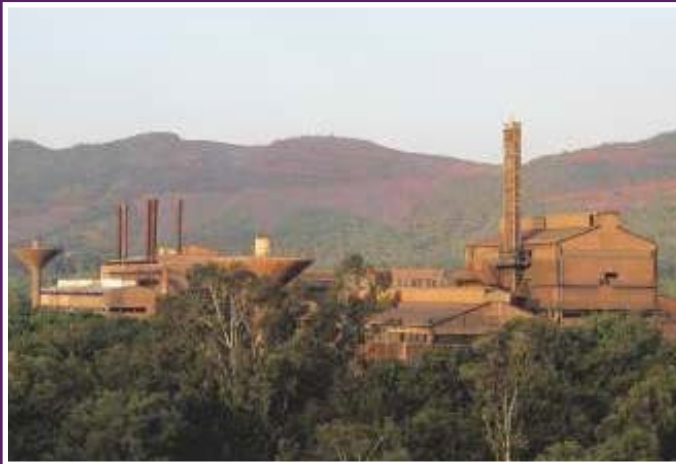
I/We hereby exercise my/our vote in respect of the ordinary resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sl. No.	ITEM	No. of Shares	I / We "ASSENT" to the resolution (FOR)	I / We "DISSENT" to the resolution (AGAINST)
1	Adoption of Audited Financial Statement of the Company for the financial year ended 31 March 2017 together with the reports of Auditors and the Directors			
2	To appoint a Director in place of Mr. N. S. Lakshmanan (DIN-00062105), who retires by rotation and being eligible, offers himself for re-appointment			
3	To appoint a Director in place of Mr. Nazim Sheikh (DIN-00064275), who retires by rotation and being eligible, offers himself for re-appointment			
4	To ratify the appointment of Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors, of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting.			

Place :

Date :

Signature of the Shareholder



If undelivered please return to:

STAR METALLICS AND POWER PRIVATE LIMITED
(A subsidiary of The Sandur Manganese & Iron Ores Limited)

1A & 2C, 'Redifice Signature'

No. 6, Hospital Road, Shivaji Nagar, Bengaluru - 560 001, Karnataka, INDIA.
Ph: +91 80 4152 0176 - 80, Fax: +91 80 4152 0182