



Alufluoride Limited

*An ISO 9001, 14001
&
OHSAS 18001 - Company*

*Annual Report
2015 - 2016*

BOARD OF DIRECTORS

Dr. T.R. Ramachandran	- Independent & Non Executive
Sri A.V.V.S.S.Ch.B. Sekhar Babu	- Independent & Non Executive
Sri Grandhi Sreeramakrishna	- Independent & Non Executive
Sri Ashok Vemulapalli	- Non Independent & Non Executive
Sri K. Purushotham Naidu	- Director (Finance & Admn)
Smt. Jyothsana Akkineni	- Executive Director
Sri Venkat Akkineni	- Managing Director

COMPANY SECRETARY

Sri Viswanadham Bhaskara Rama Sarma

STATUTORY AUDITORS

M/s. Rao & Kumar, Chartered Accountants,
Visakhapatnam 530 003

INTERNAL AUDITORS

Sri G. Krishna Mohan, Chartered Accountant, Kakinada 533 003

SECRETARIAL AUDITORS

M/s. GMVDR & Associates, Company Secretaries,
Hyderabad 500 029

BANKERS

State Bank of India
IDBI Bank Ltd
HDFC Bank Ltd
Punjab National Bank
Axis Bank Ltd

REGISTRARS & SHARE TRANSFER AGENTS

XL Softech Systems Ltd.
3, Sagar Society, Road No.2, Banjara Hills
Hyderabad 500 034
Phone: (91 40) 2354 5913
Fax: (91 40) 2355 3214
Email: xlfield@gmail.com

REGISTERED OFFICE

Alufluoride Limited
Mulagada, Mindi
Visakhapatnam 530 012, AP
Phone: (91 891) 2548567, 2577077
Fax : (91 891) 2548567
Email: contact@alufluoride.com
CIN- L24110AP1984PLC005096

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Alufluoride Limited will be held at the Registered Office of the Company situated at Mulagada, Mindi, Visakhapatnam -530 012 at 11.00 A.M. on the Friday, 30 September, 2016 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2016 and Profit and Loss Account for the year ended 31st March, 2016 together with the reports of Directors' and Auditors' thereon.
2. To appoint Auditors and to fix their remuneration.
3. To elect a Director in place of Sri Ashok Vemulapalli, Director who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution.

Reappointment of Sri Venkat N.R.Akkineni as Managing Director.

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and the rules made there under and consent be and is hereby accorded for the reappointment of Sri Venkat N R Akkineni as the Managing Director of the Company for a further period of three years w.e.f 16.06.2016, at a remuneration aggregating to 5% of the Net Profits of the Company. However in case of inadequate or absence of profits, he shall be entitled to the following remuneration:

1. Remuneration :

- i) Salary - Rs. 1,25,000/- per month
- ii) Commission at 1% on the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.

2. Perquisites :

In addition to the Salary and Commission, the Managing Director shall be entitled to the Perquisites, classified under Category A, B, and C, as per statement annexed, provided that the Perquisites in the said Category 'A' shall be restricted to an amount equivalent to the annual salary.

**STATEMENT OF PERQUISITES REFERRED TO IN THE RESOLUTIONS RELATING TO THE REMUNERATION OF THE MANAGING DIRECTOR
CATEGORY 'A'****i) Housing:**

- a) The expenditure incurred by the Company on hiring furnished accommodation for him will be subject to a ceiling of 60% of salary.
- b) Where accommodation in the Company owned house is provided, he shall pay to the Company, by way of rent 10% of the salary. Wherever the Company does not provide accommodation, House rent allowance shall be paid in accordance with (a) above, and
- c) The expenditure incurred by the Company on gas, electricity, water and furnishing will be evaluated as per Income-Tax rules, 1962. This will, however, be subject to a ceiling of 10% of the salary paid to him.

ii) Medical benefits for self and family :

Reimbursement of expenses actually incurred the total cost of which to the company shall not exceed one month's salary in a year or three months' salary over a period of three years.

iii) Leave Travel concession :

For self and family, once in a year, incurred in accordance with the rules of the Company.

iv) Club fees :

Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

v) Personal accident insurance :

Of an amount, the annual premium of which, does not exceed Rs.4,000/-.

The perquisites, under this category, shall be restricted to an amount equivalent to the annual salary proposed to the Managing Director.

CATEGORY 'B'

Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company, to the extent, these are not taxable, under the Income-Tax Act, either singly or put together. Gratuity payable, shall not exceed, half a month's salary, for each completed year of service. The perquisites, under this category, shall not be included in the computation of the ceiling on remuneration specified in the resolution.

CATEGORY 'C'

- a. Free use of Company's car with driver for the business of the Company. Use of car for private purposes shall be billed by the Company.
- b. Free telephone facility at residence. All personal long distance calls shall be billed by the Company.
- c. Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month's salary for every 11 months service;
- d. He shall also be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company; and
- e. Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The perquisites, under this category, shall not be included in the computation of the ceiling on remuneration specified in the Resolution."

"RESOLVED FURTHER THAT the Managing Director will be eligible for double the limits of aforesaid Salary and Perquisites if the resolution for reappointment & revisions in remuneration is approved by the Shareholders by way of Special Resolution and this will be paid with effect from the date of passing of Special Resolution in the General Meeting".

"RESOLVED FURTHER THAT the Salary and perquisites aforesaid be paid and allowed, as minimum remuneration to the Managing Director during the remaining period of his tenure, in the

event of loss of inadequacy of profits in any financial year".

5. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution.

Reappointment of Smt Jyothsana Akkineni as Executive Director.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and the rules made there under consent be and is hereby accorded for the reappointment of Smt. Jyothsana Akkineni as the Executive Director of the Company for a further period of three years, w.e.f 06.05.2016, without any remuneration".

6. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution.

Reappointment of Sri K.Purushotham Naidu as Director (Finance & Admn).

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and the rules made there under consent be and is hereby accorded for the reappointment of Sri K.Purushotham Naidu for a further period of three years w.e.f. 06.05.2016 at the following remuneration:

1. Salary & allowances – upto Rs.1,75,000/- P.M.
2. Perquisites: As per the Company's policy – like Medical, LTA, PF, Gratuity etc.

For and on behalf of the Board
For **ALUFLUORIDE LIMITED**

VENKAT AKKINENI
Managing Director

DIN: 00013996

Hyderabad
4 August, 2016

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself/herself and such proxy or proxies need not be a member or members of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
2. The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Corporate Members are requested to send a duly certified copy of the Board Resolution / power of attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting. Member / proxy should bring the attendance slip sent herewith, duly filed in, for attending the meeting.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DPID Number and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
5. The Share Transfer Register and Register of Members of the Company will remain closed from 26 September, 2016 to 30 September, 2016 both days inclusive.
6. Members are requested to address all their correspondence including change of address, mandates etc. to the registrars Viz. M/s XL Softech Systems Ltd, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034.
7. Pursuant to Section 125 of the Companies Act, 2013, all unclaimed refunds of the Public Issue for more than seven years from the date it became due shall be transferred to Investor Education and Protection Fund (the fund). Hence those persons, who have not encashed their refund and requested to encash the same immediately.
8. Shareholders may inspect the documents / certificates referred to in the notice and / or explanatory statement at the Registered Office of the Company during the business hours on any working day upto the date of AGM.
9. E-Voting: Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, and Clause 35B of the Listing Agreement, the Company is providing the facility to Members to exercise their rights to vote by electronic means. The Company has engaged the Services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 23 September, 2016 (Cut -off date fixed for this purpose). The e-voting period will commence at 10.00 A.M. on Tuesday, 27 September, 2016 and will end at 6.00 P.M. on Thursday, 29 September, 2016. The Company has appointed Mr. G.M.V. Dhanunjaya Rao, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. Detailed instructions for availing e-voting facility are being sent separately as a part of this Notice.
10. Members are requested to avail the e-communication facility for receiving the Annual Reports, other communications from the Company, by updating their email IDs with the RTA so as to save paper & the Mother Nature.

EXPLANATORY STATEMENT**(Pursuant to Section 173 (2)) of the Companies Act, 2013****ITEM No. 4**

The Remuneration Committee during their meeting held on 29th April 2016 have recommended reappointment of Sri Venkat N.R.Akkineni as Managing Director for a further period of three years i.e., from 16th June, 2016 to 15th June, 2019 and recommended the remuneration package as detailed in the resolution. The recommendations of the Remuneration Committee were approved by the Board of Directors of the Company during their meeting held on 29th April, 2016 and reappointed Sri Venkat N.R.Akkineni as Managing Director of the Company for a further period of three years, at the remuneration package approved by the Remuneration Committee.

In accordance with the provisions of the section 196, 197 & 198 and Schedule V of the Companies Act, 2013, the reappointment of Sri Venkat N.R. Akkineni as Managing Director of the Company requires the approval of the shareholders by way of a Special Resolution.

None of the Directors excepting Sri Venkat N.R. Akkineni, Smt. Jyothsana Akkineni and Sri Ashok Vemulapalli are interested in the proposed special resolution.

This explanatory statement together with the terms of re-appointment mentioned in the accompanying notice should be treated as an abstract under section 190 of the Companies Act, 2013, in respect of the contract, if any, proposed to be entered into between the Company and Sri Venkat N.R. Akkineni, Managing Director.

ITEM No. 5

The Remuneration Committee during their meeting held on 29th April, 2016 have recommended for reappointment of Smt Jyothsana Akkineni as Executive Director without remuneration for a further period of three years i.e., from 6th May, 2016 to 5th May, 2019.

In accordance with the provisions of the section 196 and Schedule V of the Companies Act, 2013, the reappointment of Smt Jyothsana Akkineni, without remuneration, requires the approval of the shareholders by way of a Special Resolution.

None of the Directors excepting Smt. Jyothsana Akkineni, Sri Venkat N.R. Akkineni and Sri Ashok Vemulapalli are interested in the proposed special resolution.

This explanatory statement together with the terms of reappointment mentioned in the accompanying notice should be treated as an abstract under section 190 of the Companies Act, 2013, in respect of the contract, if any, proposed to be entered into between the Company and Smt. Jyothsana Akkineni, Executive Director.

ITEM No. 6

The Remuneration Committee during their meeting held on 29th April, 2016 have recommended for reappointment of Sri K.Purushotham Naidu, as Director (Finance & Admn) for a further period of three years i.e., from 6th May, 2016 to 5th May, 2019 and recommended the remuneration as detailed in the Resolution.

In accordance with the provisions of the section 196, 197, 198 and Schedule V of the Companies Act, 2013, the reappointment of Sri K.Purushotham Naidu as Director (Finance & Admn) of the Company requires the approval of the shareholders by way of a Special Resolution.

None of the Directors excepting Sri K. Purushotham Naidu are interested in the proposed Special Resolution.

This explanatory statement together with the terms of re-appointment mentioned in the accompanying notice should be treated as an abstract under section 190 of the Companies Act, 2013, in respect of the contract, if any, proposed to be entered into between the Company and Sri K.Purushotham Naidu, Director (Finance & Admn).

Additional disclosures under Schedule V of the Companies Act, 2013**I. General Information**

Alufluoride Limited is involved in the production of Aluminium Fluoride a high purity and free flowing powder. It is produced with modern technology by reacting dry Alumina Hydrate with Hydrofluosilicic acid, generated from the fluorine recovery units of the fertilizer industries. Fluorine gas, otherwise an effluent is scrubbed with water to produce Hydrofluosilicic acid thus converting "Waste Into Wealth". There are no foreign collaborations or investments in the Company.

II. Information about the appointees

Particulars	Sri Venkat Akkineni	Smt. Jyothsana Akkineni	Sri K. Purushotham Naidu
Date of Birth	22.09.1954	29.03.1956	15.07.1955
Date of Appointment	14.08.1991	16.07.2002	20.10.2007
Qualifications	MBA	MA	M.Com, (CA), BL
Expertise in specific functional areas	38	37	36
Chairmanships / Directorships of other Companies (excluding Foreign Companies and Section 25 Companies)	1. Annapurna Studios (P) Ltd. 2. Heart Entertainment Ltd. 3. Annapurna Apex Chemicals (P) Ltd. 4. Heart Animation Academy (P) Ltd. 5. Annapurna Cine Techniq (P) Ltd. 6. Annapurna Visual Arts (P) Ltd. 7. Akkineni Arts Academy (P) Ltd.	1. Anar Enterprises (P) Ltd. 2. Kaiser Finance & Leasing (P) Ltd. 3. Visakha Finance Ltd.	Nil
Chairmanships / Memberships of Committees of other Public Companies (includes only Audit Committee; and Shareholders/ Investors Grievance Committee)	Nil	Nil	Nil
Number of shares held in the Company	Nil	51,070	375
Other details as required under Schedule V	Sri Venkat Akkineni is a Promoter Director of the Company. He has no pecuniary relationship with the Company except as the MD.	Smt. Jyothsana Akkineni is a Promoter Director of the Company. She has no pecuniary relationship with the Company except as the ED.	Sri K.Purushotham Naidu is employed with the Company since 1989 and inception of the Company. He has no pecuniary relationship with the Company except as Director (Finance & Admn).
Past remuneration	Rs. 34.20 lakhs and well within the ceiling of Rs.42.00 lakhs per year as per the Companies Act, 2013.	NIL	Rs.17.23 lakhs and well within the ceiling of Rs.42.00 lakhs per year as per the Companies Act, 2013
Remuneration proposed	Within a ceiling of Rs.84.00 lakhs per year, after getting approval of increased remuneration by the Shareholders of the Company through Special Resolution at the Annual General Meeting.	NIL	Within a ceiling of Rs.42.00 lakhs per year as per the Companies Act, 2013.

Particulars	Sri Venkat Akkineni	Smt. Jyothsana Akkineni	Sri K. Purushotham Naidu
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).	Since, Alufluoride Limited, is the only listed Company in India which produces Aluminium Fluoride only and hence, comparative details are not available and not given.	N.A.	Since, Alufluoride Limited, is the only listed Company in India which produces Aluminium Fluoride only and hence, comparative details are not available and not given.

III. Other Information

Reasons of loss or inadequate profits, steps taken or proposed to be taken for improvement & Expected increase in productivity and profits in measurable terms.	N.A.
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For and on behalf of the Board
For ALUFLUORIDE LIMITED

Hyderabad
 4 August, 2016

VENKAT AKKINENI
 Managing Director
 DIN: 00013996

DIRECTORS' REPORT

To
The Members of
Alufluoride Limited

Your Directors have pleasure in presenting the Annual Report of your Company along with the audited Statement of Accounts for the financial year ended 31st March, 2016. The Report also includes the Management Discussion and Analysis Report in accordance with the Guidelines on Corporate Governance and consolidated Financial Statements.

FINANCIAL RESULTS

The Financial results of the Company for the period under review are as follows:

	(Rs. in lakhs)	
	31-03-2016	31-03-2015
Sales and other revenue	3,175.85	2,361.93
Profit before Finance charges, Depreciation, Tax & other adj's	427.23	421.03
Less : Finance charges	0.11	0.29
Profit before Depreciation, Tax & other adj's	427.12	420.74
Less: Depreciation	83.39	61.42
Profit before Tax & other adj's	343.73	359.32
Less: Extraordinary & Exceptional Expenses	—	0.47
Provision for current tax	131.85	111.42
Taxes of earlier years	4.03	4.17
Deferred Tax Asset / Liability adj's	(8.54)	(60.72)
Profit before appropriations and carried to Balance Sheet	216.39	303.98

COMPANY'S PERFORMANCE

Your Directors report that the Company produced 4,930 MT of Aluminium Fluoride during the year under review as against 4,113 MT during 2014-15. During the year the Company sold 5,086 MT Aluminium Fluoride as against 3,331 MT in 2014-15. With the increased sales volume, the sales and other revenue reported at Rs. 3,175.85 lakhs as against Rs.2,361.93 lakhs during 2014-15. With the controlled consumption norms, with the increased production, with the efficient working

capital management, planned increase in other income and with effective cost control measures, though the selling price of AIF3 is lower during the year compared to last year, the Company posted a net profit of Rs.216.39 lakhs for the year under review as against net profit of Rs.303.98 lakhs in 2014-15.

OUT LOOK FOR THE CURRENT YEAR

The sale price of Aluminium Fluoride for the current year has further dropped due to a major decrease in LME price of Aluminium, global metal industry recession. With the adjacent fertilizer complex assurance for increasing their Acid supplies, for the current year, as against low acid supplies of 2,365 MT acid in 2015-16, the Company is hoping to post good returns in the current year, provided aluminium fluoride prices do not further decrease.

EXPORTS

During the year under review, the Company has not registered any Export sales as against Rs.120.10 lakhs during 2014-15.

INSURANCE

All the properties of the Company including Buildings, Plant and Machinery and Stocks have been adequately insured.

DIVIDEND

Your Directors wish to record that, the Company is making all its efforts for entering in to long term agreements for acid supply and JV agreements for the proposed shifting of the plant to expand capacity, where the Company will get assured acid supplies and is expected to be finalized very shortly. In view of the proposed major expansions, your Directors are not recommending any Dividend with a veiw to conserve resources.

CORPORATE GOVERNANCE

As per chapter IV of the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 a separate section on Corporate Governance is enclosed herewith which forms part of the Annual Report. A certificate from the Auditors of the Company on compliance with the conditions of Corporate Governance as stipulated under the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Report.



MANAGEMENT DISCUSSION AND ANALYSIS

A detailed section of the Management Discussion and Analysis for the period under review as required under SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 is given as a separate statement forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to the Director's Responsibility Statement, it is hereby confirmed:

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the accounts for the financial year ended 31st March, 2016 on a 'going concern' basis; and
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Ashok Vemulapalli, Director will be

retiring at the ensuing Annual General Meeting. The members are informed that Sri Ashok Vemulapalli has expressed his willingness for reappointment.

The Board of Directors, based on the recommendation of Nomination & Remuneration Committee, had in their meeting held on 29th April, 2016 reappointed Sri Venkat Akkineni, Managing Director, Smt Jyothsana, Akkineni, Executive Director and Sri K.Purusotham Naidu, Director (Finance & Admn) for another three years. Their reappointment is subject to the approval of shareholders in the ensuing AGM.

Key Managerial Personnel

The company has designated the Managing Director, Director Finance (as CFO) and Company Secretary as its Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

Dr. T.R. Ramachandran, Sri A.V.V.S.S.Ch.B. Sekhar Babu and Sri Grandhi Sreeramakrishna are the Independent Directors of the Company. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year

NUMBER OF MEETINGS OF THE BOARD

Four Meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations & Discloser Requirements) Regulations, 2015. The performance of the Board

was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and Individual Directors was also discussed.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' report.

DISCLOSURE AS REQUIRED UNDER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The Disclosure as required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is given in Annexure - A to the Board Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED IN SUB-SECTION (1) OF SECTION 188

Details of transactions with related parties falling under the scope of Section 188(1) of the Act & Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 (Form No. AOC.2) is given in Annexure - B to the Board Report.

AUDITORS

M/s Rao & Kumar, Chartered Accountants, Visakhapatnam, the Auditors of the Company will be retiring at the conclusion of this Annual General Meeting and have conveyed their consent for reappointment.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 205 of the Act and the rules framed thereunder, M/s. GMVDR & Associates, Company Secretary was appointed as Secretarial Auditor of the Company and the Secretarial Audit Report issued by them for the financial year 2015-16 is made a part of this Report.

COST AUDIT

Cost Audit for financial year 2015-16 is not applicable in view of the Cost Audit Amendment Rules, 2014, Government of India, Ministry of Corporate Affairs, Notification, New Delhi, dated 31.12.2014.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure - C in the prescribed Form MGT-9, which forms part of this report.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report and Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.



MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the date of closure of financial year to the date of Board Report.

CHARGES

The Company has not availed loans from any Bank/ Financial Institutions during the financial year under review.

FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

UNPAID / UNCLAIMED DIVIDEND

Dividend which is unclaimed for a period of 7 years shall be transferred to Investor Education & Protection Fund (IEPF). An amount of Rs. 2,79,660/- for the FY 2008-09 which was unclaimed by the shareholders of the Company will be transferred to Investor Education and Protection Fund (IEPF) on or before 23.10.2016.

INTERNAL CONTROL

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly. The internal control is supplemented by an extensive program of internal audits, review by management and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Additionally the Audit committee is reviewing all Audit Reports with significant control, all issues raised by internal and external auditing regularly, reports on the business development, all the past and the future plans are given to the Board of

Directors, Internal Auditor's reports are regularly circulated to all the senior management to comply with the findings.

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

Additional information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in Annexure - D and forms part of this report.

EMPLOYEE RELATIONS

During the year under review, the Company has enjoyed cordial relationship with all section of employees. The Company believes that the employees play a vital role in increasing the turnover and profitability of the Company and the strength of the Company lie in harnessing the manpower in achieving sustained long-term growth in all spheres.

ENVIRONMENT & SAFETY MEASURES

Following the ISO Certifications of 9001, 14001 and OHSAS 18001 the Company will continue taking all the necessary measures to maintain high standards of Environment, Clean and Green Belt, Water Harvesting, Pollution Control, Health and Safety Precautions.

ACKNOWLEDGEMENT

Your Directors take this opportunity in expressing their gratitude to the Government of India, the State Government. The Board is also thankful to all its Bankers, Contractors, Customers and Shareholders for their unstinted support to the Company.

For and on behalf of the Board
For ALUFLUORIDE LIMITED

VENKAT AKKINENI
Managing Director
DIN: 00013996

G. SREERAMAKRISHNA
Director
DIN: 06921031

Hyderabad
4 August, 2016

ANNEXURE - A
DISCLOSURES AS REQUIRED UNDER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name of the Director / KMP & Designation	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year
1	Sri Venkat Akkineni, Managing Director	225 : 1	0.7
2	Sri K. Purushotham Naidu, Director Finance & CFO	113 : 1	8.7
3	Sri Ashok Vemulapalli, Non Executive & Non Independent Director	(*)	(*)
4	Smt. Jyothsana Akkineni, Executive & Non Independent Director	—	—
5	Dr. T.R. Ramachandran, Non Executive & Independent Director	(*)	(*)
6	Sri A.V.V.S.S.Ch.B. Sekhar Babu, Non Executive & Independent Director	(*)	(*)
7	Sri Grandhi Sreeramakrishna, Non Executive & Independent Director	(*)	(*)
8	Sri Viswanadham Bhaskara Rama Sarma, Company Secretary	10 : 1	—

(*) Non Executive Directors have been paid remuneration by way of sitting fees.

Percentage increase in the median remuneration of employees in the financial year	16%						
Number of permanent employees on the rolls of Company	82						
Explanation on the relationship between average increase in remuneration and Company performance	Average increment in the remuneration of employees is decided on various parameters like individual performance and various other parameters.						
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	<table> <tbody> <tr> <td>Increment in Company's profits</td> <td>-</td> <td>28.8%</td> </tr> <tr> <td>Increment in KMP's remuneration</td> <td>-</td> <td>4.7%</td> </tr> </tbody> </table>	Increment in Company's profits	-	28.8%	Increment in KMP's remuneration	-	4.7%
Increment in Company's profits	-	28.8%					
Increment in KMP's remuneration	-	4.7%					



Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	Particulars	March 31, 2016	March 31, 2015	% change
	Market Capitalisation (Rs.lakhs)	1,354.58	840.05	61.2%
	Price Earnings Ratio	6.26	2.76	126.8%
	Market Price (BSE)	19.35	12.00	61.2%
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in the remuneration of employees (other than managerial personnel) was 15.2 % in the Financial Year 2015-16.			
Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.	Details are given in the above table			
Key parameters for any variable component of remuneration availed by the directors.	Managing Director is paid a commission of 1% on the net profits of the Company, in accordance with the provisions 12 of the Act.			
Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Nil			
Affirmation	The remuneration is as per the remuneration policy of the Company			

Details of Top 10 Employees in terms of remuneration drawn are as below:

Name & Designation	Remuneration Rs.	Nature of Employment	Qualification & Experience	Date of Joining	Age (years)	% of shares held in the Company	Whether relative to any Director or Manager	Last Employment
Venkat Akkineni	3,419,695	Contractual	MBA (USA) (38 Yrs)	14.08.1991	62	-	Yes	—
K. Purushotham Naidu	1,723,397	Contractual	M.Com,(CA),BL (36 Yrs)	22.08.1989	61	0.01	- No -	BSR & Sons, Vijayawada
S.V.N.G.S.S.S. Rao (*)	1,169,242	As per Co's rules	M.Tech (Ch.) (34 Yrs)	18.06.2015	58	-	- No -	Vasant Chemicals, Vizag
G. Sreenu Babu	1,220,624	-DO-	B.Sc.(Ch) BE(Mech.) (23 Yrs)	08.02.1993	51	0.01	- No -	Deccan Sugars, Samalkot
B.V. Ramana	831,530	-DO-	L.M.E (40 Yrs)	12.06.2014	62	-	- No -	ICS, Senagal, W. Africa
K.Lokanadaha Rao	500,404	-DO-	D.M.E. (17 Yrs)	19.05.1999	54	-	- No -	—
Chandan Bagh	478,608	-DO-	I.T.I (Fitter) (22 Yrs)	23.12.2009	51	-	- No -	—
D.L.Narasimha Rao	434,134	-DO-	M.Com. (22 Yrs)	17.10.1994	48	-	- No -	—
K. Nageswara Rao	392,596	-DO-	M.Com. (27 Yrs)	27.03.1989	52	-	- No -	—
D.S.S. Chandra Reddy	364,056	-DO-	B.Sc. (22 Yrs)	14.11.1994	46	-	- No -	—

Details of employees who are drawing remuneration of Rs.102.00 lakhs per annum (or) Rs.8.50 Lakhs per month (or) in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company : - NIL -

(*) Employed part of the Year.

ANNEXURE - B
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 arms length transaction under third proviso thereto.

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

SI.No.	Particulars	Details
a	Name(s) of the related party & nature of relationship	1) Anar Enterprises Pvt. Ltd. 2) Kaiser Finance & Leasing Pvt. Ltd. 3) Visakha Finance Ltd. Common Directors
b	Nature of contracts / arrangements / transaction	Lease Rentals – Acs 6.66 cents of land located at Vadlapudi, Gajuwaka Mandal, Visakhapatnam taken for the stock yard for materials etc
c	Duration of the contracts / arrangements / transaction	Yearly lease rents
d	Salient terms of the contracts or arrangements or transaction including the value, if any	Total Lease Rent Rs. 3,99,600/- @ Rs. 60,000/- per acre per year
e	Date of approval by the Board	30 January, 2015
f	Amount paid as advances, if any	NIL

ANNEXURE - C
FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN

as on the Financial Year Ended on 31.03.2016 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L24110AP1984PLC005096
ii	Registration Date	09.11.1984
iii	Name of the Company	ALUFLUORIDE LTD.
iv	Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v	Address of the Registered office and contact details	Mulagada, Mindi, Visakhapatnam - 530 012, Andhra Pradesh
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	XL Softech Systems Limited, 3, Sagar Society, Road # 2, Banjara Hills, Hyderabad 500 034. Phone : (91 40) 2354 5913 Fax : (91 40) 2355 3214 Email : xlfield@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	ALUMINIUM FLUORIDE	2010	96%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : - Nil -



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	28,38,470	6,300	28,44,770	40.64	28,38,470	6,300	28,44,770	40.64	—
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt (s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	8,56,300	—	8,56,300	12.23	8,56,300	—	8,56,300	12.23	—
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any Other..	—	—	—	—	—	—	—	—	—
Sub-total (A) (1):-	36,94,770	6,300	37,01,070	52.87	36,94,770	6,300	37,01,070	52.87	—
(2) Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Other - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks / FI	—	—	—	—	—	—	—	—	—
e) Any Other....	—	—	—	—	—	—	—	—	—
Sub-total (A) (2):-	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter	36,94,770	6,300	37,01,070	52.87	36,94,770	6,300	37,01,070	52.87	—
(A) = (A) (1) + (A) (2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks/FI	1,00,100	—	1,00,100	1.43	1,00,100	—	1,00,100	1.43	—
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	1,00,100	—	1,00,100	1.43	1,00,100	—	1,00,100	1.43	—
2. Non-Institutions									
a) Bodies Corporate	2,84,105	1,08,900	3,93,005	5.62	2,28,931	1,08,900	3,37,831	4.83	(0.79)
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	13,47,245	5,45,652	18,92,897	27.04	19,19,409	5,44,052	2,46,3461	35.19	8.15

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6,00,166	13,000	6,13,166	8.76	3,18,746	—	3,18,746	4.55	(4.21)
c) Others (NRIs Bodies (clearing mem)	1,91,402 980	1,07,780 —	2,99,182 980	4.27 0.01	21701 2131	55,360 —	77061 2131	1.10 0.03	(3.17) 0.02
Sub-total (B) (2) :-	24,23,898	7,75,332	31,99,230	45.70	24,90,918	7,08,312	31,99,230	45.70	—
Total Public Shareholding (B) = (B) (1) + (B) (2)	25,23,998	7,75,332	32,99,330	47.13	25,91,018	7,08,312	32,99,330	47.13	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	62,18,768	7,81,632	70,00,400	100.00	62,85,788	7,14,612	70,00,400	100.00	—

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	SUNITHA V	14,13,195	20.19	—	14,13,195	20.19	—	—
2	V SAROJINI	8,41,885	12.03	—	8,41,885	12.03	—	—
3	JYOTHSANA AKKINENI	51,070	0.73	—	51,070	0.73	—	—
4	ANNAPURNA AKKINENI	1,57,320	2.25	—	1,57,320	2.25	—	—
5	ADITYA AKKINENI	3,27,500	4.68	—	3,27,500	4.68	—	—
6	V ROHIT	47,500	0.68	—	47,500	0.68	—	—
7	V. ASHOK	6,300	0.08	—	6,300	0.08	—	—
8	KAISER FINANCE & LEASING PVT LTD	7,86,975	11.24	—	7,86,975	11.24	—	—
9	ANAR ENTERPRISES PRIVATE LTD	55,100	0.79	—	55,100	0.79	—	—
10	VISAKHA FINANCE LIMITED	14,225	0.20	—	14,225	0.20	—	—
	Total	37,01,070	52.87	—	37,01,070	52.87	—	—

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

Sl.No.		No. of shares	% of total shares of the company
1	At the beginning of the year	37,01,070	52.87
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	—	—
3	At the end of the year	37,01,070	52.87

Note: Date wise details of increase / decrease in Promoters shareholding during the year will be provided to any shareholder if specifically requested.

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

Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Increase/Decrease in Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Nemani Ramachandra	1,81,360	2.59	(1,81,360)	(2.59)	—	—
2	Kanuri Family Trust	1,38,234	1.97	(73,984)	(1.05)	64,250	0.92
3	A.P.I.D.Co.Ltd	1,00,000	1.43	—	—	1,00,000	1.43
4	Mukesh Babu Financial Services Ltd	97,000	1.39	—	—	97,000	1.39
5	Rashmi Navinbhai Mehta	43,279	0.62	(3,971)	(0.06)	39,308	0.56
6	Shashi Rani Gupta	41,833	0.60	(2,500)	(0.04)	39,333	0.56
7	Snehalatha Singhi	38,228	0.55	(5,231)	(0.08)	32,997	0.47
8	Ashvin Dedakia	34,391	0.49	(34,391)	(0.49)	—	—
9	Chandralekha Meka	30,580	0.44	(30,580)	(0.44)	—	—
10	Mamatha Vasireddy	30,580	0.44	(30,580)	(0.44)	—	—
11	Anumolu Jayashree	—	—	43,278	0.62	43,278	0.62
12	Manilal Ramji Faria	—	—	30,006	0.43	30,006	0.43
13	Avantika Sudhir Mehta	—	—	28,976	0.41	28,976	0.41

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Increase/Decrease in Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Smt. A. Jyothsana	51,070	0.73	—	—	51,070	0.73
2	Sri V. Ashok	6,300	0.09	—	—	6,300	0.09
3	Sri K. Purushotham Naidu	400	0.01	—	—	375	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	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Smt. Jyothsana Akkineni (Executive Director)	Total Amount
		Sri Venkat N.R. Akkineni (MD)	Sri K. Purushotham Naidu (Director Finance & CFO)		
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	14,16,420	—	38,16,420
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,43,897	2,35,740	—	6,79,637
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	– as % of profit	3,95,798	—	—	3,95,798
	– others, specify...				
5.	Others, please specify (Employer's PF Contribution, etc)	1,80,000	71,237	—	2,51,237
	Total	34,19,695	17,23,397	—	51,43,092
	Ceiling as per the Act	42,00,000	42,00,000	—	84,00,000



B. Remuneration to other Directors:

(Amount in Rs.)

Particulars of Remuneration	Name of Directors				Total Amount
	Sri V. Ashok	Dr. T.R. Ramachandran	Sri A.V.S.S. Ch.B. Sekhar Babu	Sri G. Sree ramakrishna	
1. Independent Directors					
• Fee for attending board committee meetings	N.A.	3,000	3,000	4,000	10,000
• Commission	—	—	—	—	—
• Others, please specify	—	13,000	13,000	12,000	38,000
Total (1)		16,000	16,000	16,000	48,000
2. Other Non-Executive Directors					
• Fee for attending board committee meetings	3,000	N.A.	N.A.	N.A.	3,000
• Commission	—	—	—	—	—
• Others, please specify	13,000	—	—	—	13,000
Total (2)	16,000	N.A.	N.A.	N.A.	16,000
Total (B) = (1 + 2)	16,000	16,000	16,000	16,000	64,000
Total Managerial Remuneration	16,000	16,000	16,000	16,000	64,000
Overall Ceiling as per the Act	Non-executive Directors are entitled for a sitting fee upto a maximum of Rs.1,00,000/- per every meeting attended by them.				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary Sri V.B.R. SARMA	Total
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,50,000	1,50,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission		
	– as % of profit	—	—
	– others, specify.	—	—
5.	Others, please specify	—	—
	Total	1,50,000	1,50,000

Details of remunerations of CEO & CFO are not given as their details were already mentioned in point VI (A) above.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : - Rs.1,10,000/- paid to the Court during the year against the settlement of case filed by Inspector of Factories, Visakhapatnam against the Company.

ANNEXURE - D

Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2016.

A. CONSERVATION OF ENERGY:

The Company continues to adopt various steps to conserve energy and has taken several measures including regular monitoring of consumption and improved maintenance of operations and modification of equipment for reduction in Power consumption. Total energy consumption and consumption per ton of production as prescribed in Form-A are given below:

I. Power and Fuel Consumption

	01-04-2015	01-04-2014
	to	to
	31-03-2016	31-03-2015
1. Electricity		
(a) Purchased Unit (KWH)	24,71,880	22,47,720
Total Amount Rs.	1,66,06,623	1,58,19,486
Average Rate / Unit (Rs.)	6.72	7.04
(b) Own Generation –		
Through Diesel Generator – 380 + 125 KVA - Unit (KWH)	49,232	84,010
Average Unit Per litre of Diesel Oil	3.15	3.05
Cost of Diesel per KWH (Rs.)	17.61	20.10
2. Furnace Oil & Coal		
(a) Furnace oil:		
Quantity (Kilo Liters)	369	—
Total Amount (Rupees)	67,30,297	—
Average Rate (Rupees)	18,237	—
(b) Coal:		
Quantity MT	4,618	5,597
Total Amount	2,24,17,416	2,97,22,777
Average Rate (Rupees)	4,855	5,310

II. Consumption per ton of Production
Aluminium Fluoride:

(a) Electricity (KWH)	511	567
(b) Furnace Oil (Kilo Liters)	0.325	0.400
(c) Coal (MT)	1.217	1.365

(Furnace oil & Coal consumptions = Quantity of
Furnace oil / Coal consumed / quantity of
Aluminium Fluoride produced)

B. TECHNOLOGY ABSORPTION

Your Company always tries to identify & implement recent changes in technologies.

C. FOREIGN EXCHANGE EARNINGS

(a) Foreign Exchange – F.O.B. (Rs.)	—	1,30,99,700
(b) Foreign Exchange out go:	24,83,395	27,50,068
(c) Other Components, spare parts & foreign travel etc (Rs.)	—	13,31,911

CERTIFICATE

To
The Members
Alufluoride Ltd.
Visakhapatnam.

We have examined the compliance of conditions of Corporate Governance by M/s. ALUFLUORIDE LIMITED., VISAKHAPATNAM, for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RAO & KUMAR**
Chartered Accountants
FRN. 03089S

CA V.V. RAM MOHAN
Partner
M No: 18788

Hyderabad
29 April, 2016

SECRETARIAL AUDIT REPORT

To,
The Members,
Alufluoride Limited
Visakhapatnam

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alufluoride Limited (hereinafter referred as “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. 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. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year

ended on 31.03.2016, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only. The Company has not made any Overseas Direct Investment and not availed External Commercial Borrowings.
- 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable as the Company has not formulated any such scheme during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company doesn't has any listed debt security (ies))
 - 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;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares)

Regulations, 2009 (Not Applicable as the Company has not delisted its equity shares from any Stock exchange during the Audit Period); and

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable as the Company has not bought back any of its securities during the Audit Period);
- (vi) Other laws applicable to the Company as per the representation made by the Management. (Refer Annexure – 1)

We have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited & Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the Secretarial Standards issued by the Company Secretaries of India and the Company has complied with the Secretarial Standards.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals

During the period under review and as per the explanations and clarifications given to us and their presentations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

- c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We 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.

For GMVDR & Associates
Company Secretaries

(G. Mohan)
Proprietor

Hyderabad
25 July, 2016

ACS # 16886 C.P # 5250

Annexure-1

List of applicable laws to our Company:

- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund And Misc. Provisions Act, 1952
- Employers State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Electricity Act 2003
- Indian Stamp Act, 1999
- Negotiable Instrument Act 1881
- Maternity Benefits Act 1961
- Payment of Gratuity Act, 1972
- The Apprentices Act 1961
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- Industries (Development and Regulation) Act, 1951
- Environment Protection Act, 1986
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

Alufluoride Ltd (AL) is the only Company in Andhra Pradesh producing high purity Aluminium Fluoride (AlF₃) with technology developed by Alusuisse, Switzerland. This technology facilitates conversion of Fluorine effluents from Phosphatic Fertilizer Complex into Hydrofluosilicic Acid and then to Aluminium Fluoride. The project ensures pollution abatement, import substitution, conservation of natural resources like Fluorspar & Sulphur, cost effective product, conversion of waste into wealth and earning valuable foreign exchange to the Nation. AlF₃ is used as flux in reducing the melting point of Alumina during the electrolytic process of producing Aluminium. Many Aluminium Smelters in India and abroad are using the Company's product with repeat orders for increased quantities due to its quality and service.

FUTURE OUTLOOK, OPPORTUNITIES, THREATS, RISKS & CONCERNS

Alufluoride Ltd (AL) set up the project in 1995 to produce AlF₃ and related products, based on an agreement between AL and Coromandel Fertilizers Ltd, Visakhapatnam (CFL). As per the agreement, CFL is to supply 4,000 TPA of Hydrofluosilicic Acid (Acid) exclusively to AL. However, since inception CFL was unable to supply the contracted quantity and the supplies from them were deteriorating year after year. Consequently, AL's financial results were adversely affected. It is reported that, all the Aluminium smelters in India and abroad are increasing their Aluminium production capacities and also new Aluminium smelters are coming up with high capacities, resulting in an increased demand for AlF₃. The only risk & concern for the Company is availability of Acid. When the acid is procured from other sources, the landed cost increases significantly due to transport cost. As the Company is now Debt-free, with efficient working capital management, improved AlF₃ sales realization, etc., your Directors are hopeful of improved financial results.

The Company is getting offers from Acid producers that they would like to supply the Acid on a long-term basis. The Company is pursuing these various sources for assured supplies from

them on a long-term basis. If these efforts are successful, the Company can post good financial results.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control systems which provides for:

- Efficient use and safeguarding of resources
- Accurate recording and custody of assets
- Compliance with prevalent statutes, policies, procedures, listing requirements, management guidelines and circulars
- Transactions being accurately recorded, cross verified and promptly reported
- Adherence to applicable accounting standards and policies
- IT systems, which include controls for facilitating the above.

The internal control system provides for well-documented policies, guidelines, authorizations and approval procedures. The internal audit reports are laid before the Audit Committee and discussions were held periodically by the Audit Committee at its meetings. The observations arising out of audit are subject to periodic review, compliance and monitoring. The significant findings/observations made in internal audit reports, along with the status of action thereon, are reviewed by the Audit Committee of the Board of Directors on a regular basis for further appropriate action, if and as deemed necessary.

HUMAN RESOURCE DEVELOPMENT

The continued Certification of Quality and Environmental Management System adopted by the Company to ISO 9001, 14001 and OHSAS 18001 manifests to the commitment of all the employees to excellence, Committed human resources is principal core strength of your Company and is attribute to the extremely cordial atmosphere prevailing in the Company. The total number of employees stood at 91 as on 31 March, 2016.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31st MARCH, 2016
CORPORATE GOVERNANCE :

In terms of IV of Securities and Exchange Board of India (Listing Obligations & Discloser Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is mandatory for your Company and the Company is following the same.

COMPANY'S PHILOSOPHY :

The Company firmly believes in and has consistently practiced good Corporate Governance. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equality, in all facets of its operations, and in all its inter-actions with stakeholders, including shareholders, employees, Government, lenders, customers, etc. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value.

BOARD OF DIRECTORS :

Composition of Directors and their Attendances at the Board Meetings during the year and the last Annual General Meeting and outside Directorships are:

Director	No. of Board Meetings attended	Attendance at the previous AGM held on 29 December, 2015	No. of outside Directorships held	Executive/ Non Executive Independent
Sri Venkat Akkineni	4	Present	7	Executive
Sri Ashok Vemulapalli	3	Present	5	Non-Executive
Mrs. Jyothsana Akkineni	3	Present	3	Executive
Dr. T.R. Ramachandran	3	Present	1	Independent
Sri K. Purushotham Naidu	4	Present	–	Executive
Sri A.V.S.S.Ch.B. Sekhar Babu	3	Present	1	Independent
Sri Grandhi Sreeramakrishna	4	Present	–	Independent

BOARD MEETINGS HELD DURING THE YEAR 2015-16

During the Financial year 2015-16, Four Board Meetings were held on 22 May, 2015, 14 August, 2015, 14 November, 2015 and 23 January, 2016.

BOARD COMMITTEES:
Audit Committee:

The Audit Committee comprises of three Independent Directors and one Non-Executive Director. The Audit Committee met on 22 May, 2015, 11 August, 2015, 14 November, 2015 and 23 January, 2016. The Company Secretary acts as the Secretary of the Committee.

The terms of reference of the Audit Committee mandated by your Board of Directors, which are also in line with the Statutory and regulatory requirements, are;

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payments of any other services.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing with management, external and internal auditors, the adequacy of internal control system.
- Reviewing the adequacy of internal audit reporting structure, coverage and frequency of internal audit.

- f) Discussions with internal auditors on any significant findings and follow-up thereon;
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board;
- h) Discussion with external auditors before the audit commences - nature and scope of audit as well as has post audit discussions to ascertain any area of concern.
- i) Reviewing the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

Shareholders' Grievances Committee:

The Share Transfer Committee comprising of Sri Venkat Akkineni, Sri. Ashok Vemulapalli and Smt. Jyothsana Akkineni deals with share transfers, complaints/grievances of the shareholders on a regular basis. All the complaints/grievances have generally been resolved to the satisfaction of the members concerned.

Remuneration Committee:

The Committee comprises of three Independent Directors. The remuneration policy of the Company is based on the principle of attracting best available talent and is in line with the industry standards.

Details of remuneration and payments to Directors during the financial year 2015-16 are given below

Name of the Director	Sitting Fee - Board Committee (Rs.)	Salary & Perks (Rs.)	Other Transaction (Rs.)
Sri Venkat Akkineni	—	34,19,695	—
Sri Ashok Vemulapalli	3,000	—	13,000
Mrs. Jyothsana Akkineni	—	—	—
Dr. T.R. Ramachandran	3,000	—	13,000
Sri K. Purushotham Naidu	—	17,23,397	—
Sri A.V.S.S.Ch.B. Sekhar Babu	3,000	—	13,000
Sri G. Sreeramakrishna	4,000	—	12,000

GENERAL BODY MEETINGS :

Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time
2015	Registered Office	29 December, 2015	11.00 A.M.
2014	Registered Office	25 September, 2014	11.00 A.M.
2013	Registered Office	25 September, 2013	11.00 A.M.

The Company has complied with the requirements of listing agreement/regulations/guidelines/rules of the Stock Exchanges/ SEBI/Other Statutory Authorities. The Company was not imposed with any penalties or issued any strictures on any capital market related matters during the last three years.

C.E.O./C.F.O. CERTIFICATION :

The C.E.O. (Managing Director) and the C.F.O. certified to the Board on the prescribed matters as required under chapter IV of Securities and Exchange Board of India (Listing Obligations & Discloser Requirements) Regulations, 2015, and the said Certificate was considered by the Board at its meeting held on 29 April, 2016.

MEANS OF COMMUNICATION :

The Quarterly, Half-yearly and Annual results are published by the Company in the Newspapers. Official news items are sent to Bombay Stock Exchange Ltd, Mumbai.

LISTING ON STOCK EXCHANGES :

The securities of the Company are listed in Bombay Stock Exchange Ltd, Mumbai. The listing fee for this Stock Exchange had been paid.

REGISTRARS AND TRANSFER AGENTS, SHARE TRANSFER SYSTEM :

XL Softech Systems Ltd, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad 500 034 are the Registrars of the Company. Share Transfers are registered and returned in the normal course within a period of 15 days from the date of receipt, if the documents are clear in all respects. Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

MARKET PRICE DATA :

High/Low prices during the financial year 2015-16 on Bombay Stock Exchange Ltd, Mumbai.

Month	High		Low	
	Rs.	Ps.	Rs.	Ps.
April, 2015	16.00		11.25	
May, 2015	16.50		13.10	
June, 2015	15.85		13.05	
July, 2015	16.27		13.99	
August, 2015	17.05		13.65	
September, 2015	16.19		12.16	

Month	High		Low	
	Rs.	Ps.	Rs.	Ps.
October, 2015	15.83		14.20	
November, 2015	17.00		13.65	
December, 2015	21.30		15.60	
January, 2016	28.00		18.55	
February, 2016	25.55		17.35	
March, 2016	21.65		18.25	

CATEGORIES OF SHARE HOLDING AS ON 31ST MARCH, 2016

Sl. No.	Category	No. of shares	%
1.	Promoters, Directors, relatives and associated companies	37,01,070	52.87
2.	Financial Institutions	1,00,100	1.43
3.	Mutual Funds	—	—
4.	Banks	—	—
5.	Foreign Institutional Investors	—	—
6.	Non- Resident Indians	77,061	1.10
7.	Private Bodies corporate	3,37,831	4.83
8.	Public	27,82,207	39.74
9.	Others	2,131	0.03
Total		70,00,400	100.00

DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2016

No. of shares	No. of shareholders	No. of shares	Percentage
Upto 500	6,289	8,33,815	11.91
501 to 1,000	324	2,78,407	3.98
1,001 to 2,000	199	3,09,280	4.42
2,001 to 3,000	76	1,96,768	2.81
3,001 to 4,000	32	1,17,273	1.67
4,001 to 5,000	53	2,52,774	3.61
5,001 to 10,000	54	4,09,324	5.85
10,001 and above	50	46,02,759	65.75
Total	7,077	70,00,400	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY :

Equity Shares of the Company have been dematerialized and are identified under ISIN-INE058F01019.

**Factory, Registered Office and
address for correspondence**

The Compliance Officer
Alufluoride Limited
Mulagada, Mindi
Visakhapatnam 530 012 A.P.

Annual General Meeting

Time : 11.00 A.M.
Date : 30 September, 2016
Venue : Mulagada, Mindi
Visakhapatnam 530 012

BOOK CLOSURE DATES : 26 September, 2016 to
30 September, 2016
(Both days inclusive)

INDEPENDENT AUDITOR'S REPORT

TO
The Members of Alufluoride Limited
Visakhapatnam, A.P.

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Alufluoride Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure –A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
 2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and amendments there to, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RAO & KUMAR**
Chartered Accountants,
FRN 03089S

CA V.V. RAM MOHAN
Partner
M No: 18788

Hyderabad
29 April, 2016

Annexure A :

(Referred to in Paragraph 1 of 'Report on Other Legal and Regulatory Requirements' in 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 management has carried out physical verification of assets in accordance with a designed programme. In our opinion the periodicity of the physical verification is reasonable. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations furnished to us and on the basis of our examination of the records of the company and read together with Note no. 9 of the Financial Statements, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Inventories within the factory premises/stores have been physically verified by the management during the year and also at the year end. In our opinion, the frequency of verification is reasonable. The discrepancies noticed, upon verification, between physical stocks and book records were not material and such differences have been properly dealt with in the books of account.
- (iii) As at the year end, there are no outstanding loans granted by the Company to parties covered in the Register maintained under Section 189 of the Act. As there are no outstanding loans as at 31-3-2016, Paragraphs 3 (iii) (a) to (c) of the Order is considered inapplicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.
- (v) The company has not accepted any Deposits to which provisions of Sections 73 to 76 and other relevant provisions of the Act are applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act and are of the opinion that *prima-facie* the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. No such undisputed amounts payable were in arrears, as at 31.03.16 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following demands have not been deposited on account of disputes.

Name of the Statute	Nature of the dues and Period to which it relates	Amount in Rs.	Forum where the Dispute is pending as at 31.03.16
Income Tax Act	Demand raised on 19-01-14 in respect of Tax Collected at Source (TCS) for the Financial Year 2013-14.	56,480.00	Deputy Commissioner of Income Tax, CPC,(TDS)
Excise Act	Show cause Notice for Short Payment of Duty on Sale of Coal Fines during 2015-16.	16,66,610.00	Addl. Commissioner of Central Excise.

- viii) In our opinion and according to the information and explanations given to us, the company does not have any loans or borrowings from a financial institution, Bank or Government. The company had not issued any Debentures.
- (ix) The Company had not raised any money by way of Initial Public Offer or further Public Offer (including Debt Instruments) & Term Loans.

- (x) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or on the Company by its Officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly Paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into Non-Cash transactions with Directors or persons connected with them. Accordingly Paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Annexure – B

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

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered

Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on our audit we are of the opinion that, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **RAO & KUMAR**
Chartered Accountants,
FRN 03089S

CA V.V. RAM MOHAN
Partner
M No: 18788

Hyderabad
29 April, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	As at 31-03-2016		As at 31-03-2015	
		Rs.	Rs.	Rs.	Rs.
I EQUITY AND LIABILITIES					
1 SHAREHOLDER'S FUNDS					
a) Share Capital	2	7,00,04,000		7,00,04,000	
b) Reserves & Surplus	3	<u>12,32,94,783</u>	<u>19,32,98,783</u>	<u>10,16,56,279</u>	17,16,60,279
2 NON - CURRENT LIABILITIES					
a) Deferred Tax Liabilities (net)	4	(21,02,629)		(12,48,431)	
b) Long Term Provisions	5	<u>51,72,341</u>	<u>30,69,712</u>	<u>46,86,844</u>	34,38,413
3 CURRENT LIABILITIES					
a) Trade Payables	6	1,99,18,398		2,90,54,986	
b) Other Current Liabilities	7	61,58,388		52,09,902	
c) Short Term provisions	8	<u>2,21,65,421</u>	<u>4,82,42,207</u>	<u>2,05,37,017</u>	5,48,01,905
TOTAL			<u>24,46,10,702</u>		<u>22,99,00,597</u>
II ASSETS					
1 NON CURRENT ASSETS					
a) Fixed Assets					
- Tangible Assets	9	2,43,61,831		3,13,44,482	
Expenditure under construction					
- New Project		5,43,906		3,05,783	
b) Long Term Loans & Advances	10	61,85,147		40,92,624	
c) Non Current Investments	11	<u>47,66,203</u>	<u>3,58,57,087</u>	<u>47,66,203</u>	4,05,09,092
2 CURRENT ASSETS					
a) Current Investments	11	5,99,23,187		4,88,62,070	
b) Inventories	12	5,81,42,340		7,56,98,582	
c) Trade Receivables	13	3,60,05,384		1,47,03,657	
d) Cash & Bank balances	14	2,79,93,681		2,72,32,582	
e) Short Term Loans and Advances	15	2,33,60,330		2,06,41,298	
f) Other Current Assets	16	<u>33,28,693</u>	<u>20,87,53,615</u>	<u>22,53,316</u>	18,93,91,505
TOTAL			<u>24,46,10,702</u>		<u>22,99,00,597</u>

NOTES TO THE ACCOUNTS 1

The accompanying notes are an integral part of the financial statements.
This is the Balance Sheet referred to in our Report of even date.

Per our separate report of even date

For **RAO & KUMAR**

Chartered Accountants

FRN. 03089S

For and on behalf of the Board

CA.V.V. RAM MOHAN

Partner

M. No.18788

VENKAT AKKINENI

Managing Director

DIN:00013996

DR.T.R. RAMACHANDRAN

Director

DIN:01276745

K. PURUSHOTHAM NAIDU

Director & Chief Financial Officer

DIN:01883663

V.B.RAMA SARMA

Company Secretary

MS No.ACS22066

Hyderabad
29 April, 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2016**

Particulars	Notes	Current Year 2015-2016		Previous Year 2014-2015	
		Rs.	Rs.	Rs.	Rs.
I Revenue from Operations					
Sales (Gross)	17	34,38,02,963		24,41,43,543	
Less: Excise Duty		3,82,29,379	30,55,73,584	2,55,58,993	21,85,84,550
II Other Income	18		1,20,11,850		1,76,08,844
III Total Revenue (I + II)			31,75,85,434		23,61,93,394
IV Expenses					
a) Cost of Materials Consumed	19	15,47,31,410		14,27,36,652	
b) Increase/Decrease in Inventories	20	1,32,20,424		(4,69,25,532)	
c) Employee Benefits expenses	21	2,56,75,438		2,17,24,506	
d) Financial charges (Bank charges)	22	10,971		28,737	
e) Depreciation	9	83,38,578		61,42,153	
f) Other Expenses	23	8,12,35,913	28,32,12,734	7,65,55,014	20,02,61,530
V Profit before Extra-ordinary & Exceptional expenses & tax (III-IV)			3,43,72,700		3,59,31,864
VI Extraordinary & Exceptional Expenses	24		—		46,716
VII Profit before tax (V-VI)			3,43,72,700		3,58,85,148
VIII Tax expenses					
a) Provision for Current Tax		1,31,85,000		1,11,42,000	
b) Taxes of earlier years		4,03,394		4,16,828	
c) Deferred Tax Asset/Liability adj's	4	(8,54,198)	1,27,34,196	(60,71,854)	54,86,974
IX Profit/Loss for the year after taxation (VII-VIII)			2,16,38,504		3,03,98,174
X Basic/Diluted Earning per share in Rs.	25		3.09		4.34
(face value of Rs.10/- each)					

The accompanying notes are an integral part of the financial statements.

Per our separate report of even date

For **RAO & KUMAR**
Chartered Accountants
FRN. 03089S

For and on behalf of the Board

CA.V.V. RAM MOHAN
Partner
M. No.18788

VENKAT AKKINENI
Managing Director
DIN:00013996

DR.T.R. RAMACHANDRAN
Director
DIN:01276745

Hyderabad
29 April, 2016

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN:01883663

V.B.RAMA SARMA
Company Secretary
MS No.ACS22066

Notes to Account

1 Significant Accounting Policies:

It is the Policy of the Company -

(a) Basis of Preparation:

The Financial statements are prepared on approval basis of accounting under historical cost convention in accordance with the generally accepted accounting principles in India, the relevant provisions of Companies Act, 2013, and comply in material aspects with the accounting standards notified their under.

(b) Use of Estimates:

The Preparation and presentation of financial statements requires estimates and assumptions that affect the reported amounts of assets, liabilities, (including contingent liabilities) revenues and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from the estimates and assumptions and such differences are recognized in the period in which the results are known /materialized.

(c) Fixed Assets:

- i) To state assets at cost of acquisition inclusive of Inward Freight, Taxes and Incidental expenses related to acquisition but exclusive of taxes & duties for which credit is availed, Interest on Loans, during the period of construction, is added to the cost of Fixed Assets.
- ii) Individual assets having aggregate actual cost of Rs.5,000/- or less are fully depreciated in the year of acquisition.

(d) Capitalization of Project:

To capitalize all related pre-operational and direct expenditure (including temporary facilities) during construction period. Direct financing cost, if any is also capitalized.

(e) Depreciation:

- i) Depreciation is provided on Fixed Assets under the 'Straight line method' up to 95 % of the cost of the asset over their useful lives as per Schedule – II of the Companies Act, 2013.
- ii) To charge Depreciation on pro-rata basis on all additions/deletions and on the assets that are put to use.

(f) Prior period and Extra-ordinary Debits/Credits:

- i) To consider Income and Expenditure over Rs.5,000/- only, in each case, pertaining to prior items arising, in the current period, because of errors and omissions, as prior period credit/ debits.
- ii) To disclose separately extra-ordinary items which are material.

(g) Disclosure of other Income etc.:

- i) To disclose items of Income and Expenditure at the net of payments and related collections, wherever they occur.
- ii) To recognize interest income etc., upon receipt of confirmation from concerned agency.

(h) Amortization and Write Offs :

- i) To amortize Preliminary Expenses and Public Issue Expenses, over a period of Ten years, from the year of commencement of commercial production of plant.
- ii) To write off Deferred Revenue Expenditure depending upon the nature and the expected period future benefits.

(i) Foreign Currency Transactions:

To initially record monetary items, of Foreign Currency in Rupees, by applying the Exchange Rate prevailing at the time of transaction. To recognize as expense or income the amount short or excess realized / incurred because of settlement / conversion by transferring to Exchange Rate Variation Account and in the period in which they arise.

(j) Sales & Purchases:

- i) To disclose all sales at net of sales tax.
- ii) To account for all purchases exclusive of taxes & duties for which credit is availed.

(k) Valuation of Inventories:

- i) To value all raw materials, stores and spare parts, loose tools, packing materials, finished goods etc., at lower of cost or net realizable value.
- ii) To determine cost on the basis of
 - Finished Goods – Weighted Average cost
 - Raw materials & Others – FIFO
- iii) To account for all empties, scrap and waste upon realization.
- iv) No value is attributed to Silica which, in the opinion of the Management, is a process waste and has no guaranteed market value (net realizable value), except for the quantities which are being disposed off on as is where is basis to parties on irregular quantities and prices.

(l) Valuation of Investments:

Current Investments are valued at lower of cost and fair value, and long-term investments at cost. Where applicable provision is made in case of other than temporary diminution in value of investments.

(m) Employee Benefits:

To recognize actuarial gains and losses on defined benefit plans during the year.

(n) Taxes on Income:

Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under the Income Tax Act, 1961.

Deferred tax is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or subsequent periods, subject to consideration of prudence.

(o) Impairment of Assets:

The entire plant is considered as a cash-generating unit. As the recoverable amount of the Cash Generating Unit, being its value in use, is in excess of its carrying amount there is no impairment loss in terms of Accounting Standard 28 – Impairment of Assets.

(p) Leases:

Since the lease transaction of the company, are incidental to the company's main business of production of Aluminum Fluoride, specific disclosures as per Accounting Standard 19 on 'Leases' are not considered necessary.

(q) The Company has re-classified previous year's figures to confirm to this year's classifications.

(r) Derivative Instruments: Forward contracts entered into by the company for hedging of foreign currency fluctuation risks on certain firm commitments & forecasted transactions, or otherwise outstanding as on the year end are marked to market. Changes in values thereof and on closed contracts are recognized in the Statement of Profit & Loss based on the principles of prudence as enunciated in Accounting Standard -1 (AS-1) "Disclosure of Accounting Policies".

2 Share Capital:

Particulars	As at 31-03-2016		As at 31-03-2015	
	Rs.	Rs.	Rs.	Rs.

Authorized:

1,00,00,000 Equity shares of Rs. 10/- each		10,00,00,000		10,00,00,000
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Issued, Subscribed & Paid up:

70,00,400 Equity shares of Rs. 10/- each		7,00,04,000		7,00,04,000
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The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- Each holder of equity shares is entitled to one vote per share.

Reconciliation of number of equity shares and amount outstanding of the beginning and at the end of the year:

Outstanding at the beginning of the year		70,00,400		70,00,400
Outstanding at the end of the year		70,00,400		70,00,400

Shares held by each shareholder holding more than 5% shares

PROMOTER'S HOLDING:	%	No	%	No
a) V. Sunitha	20.19	14,13,195	20.19	14,13,195
b) V. Sarojini	12.03	8,41,885	12.03	8,41,885
c) Kaiser Finance & Leasing (P) Ltd	11.24	7,86,975	11.24	7,86,975

NON-PROMOTER'S HOLDING: — — — —

3 Reserves & Surplus:

General Reserve		6,00,000		6,00,000
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Surplus:

Opening Balance	10,10,56,279		8,34,57,473	
Less: Adjustment for transitional Depreciation (Net off Deferred Tax) under Schedule II of Companies Act, 2013.	—		1,27,99,368	
	10,10,56,279		7,06,58,105	

Add: Profit/(Loss) for the year after taxation as per statement of Profit & Loss account	2,16,38,504	12,26,94,783	3,03,98,174	10,10,56,279
Total		12,32,94,783		10,16,56,279

4 Deferred Tax Liability (Net):

Deferred Tax Liability		3,34,672		7,67,604
Total		3,34,672		7,67,604

Less; Deferred Tax Asset

Gratuity		18,72,697		14,79,086
Leave Encashment		5,64,604		5,36,949
Total		24,37,301		20,16,035

Net Deferred Tax Asset/Liability		(21,02,629)		(12,48,431)
Deferred tax Asset/Liability Adj's		(8,54,198)		(60,71,854)

Particulars	As at 31-03-2016		As at 31-03-2015	
	Rs.	Rs.	Rs.	Rs.
5 Long Term Provisions:				
Provision for Employee Benefits:				
Gratuity (see note 26)		40,63,986		36,16,883
Leave Encashment (see note 26)		11,08,355		10,69,961
Total		<u>51,72,341</u>		<u>46,86,844</u>
6 Trade Payables:				
Acceptances		1,99,18,398		2,90,54,986
Total		<u>1,99,18,398</u>		<u>2,90,54,986</u>

The Company has amounts dues to Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

Particulars	2015-16	2014-15
i) The principal amount and the interest due thereon remaining unpaid to any supplier at the year end:	NIL	NIL
ii) The amount of interest paid by the Company in term of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	NIL	NIL
iii) The amount of interest accrued and remaining unpaid at the year end.	NIL	NIL
iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	NIL	NIL

Note: The information has been given in respect of those suppliers who have intimated the Company that they are registered as Micro, Small and Medium Enterprises. Some of the vendors who come under the MSMED Act, 2006 have been associated with the company for a long time and have a continuous business relationship. The Company is usually prompt in servicing these vendors as per mutually agreed payment terms. In view of such longstanding relationship, no claims were received by the Company. The Company expects that there will be no claims in future also for interest.

7 Other Current Liabilities:				
Statutory dues		12,69,849		6,68,561
Others		48,88,539		45,41,341
Total		<u>61,58,388</u>		<u>52,09,902</u>
8 Short Term Provisions:				
a) Provision for Employee Benefits				
Provision for Gratuity (See Note 26)	16,00,041		9,40,982	
Provision for Leave Encashment	5,99,305		5,84,667	
Provision for Bonus	13,07,422	35,06,768	<u>7,43,162</u>	22,68,811
b) Unpaid Excise duty:				
Provision for unpaid excise duty on finished goods		54,73,653		71,26,206
c) Current Tax				
Provision for Income Tax		1,31,85,000		1,11,42,000
Total		<u>2,21,65,421</u>		<u>2,05,37,017</u>



9 - Fixed Assets

Sl. No.	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 31.03.2015 Rs.	Additions Rs.	Deductions/ Adjustments Rs.	As at 31.03.2016 Rs.	Upto 31.03.2015 Rs.	For the Year Rs.	Deductions/ Adjustments Rs.	Upto 31.03.2016 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
	TANGIBLE ASSETS:										
1	Buildings	1,80,62,027	3,49,116	—	1,84,11,143	1,13,73,478	6,80,305	—	1,20,53,783	63,57,360	66,88,549
2	Plant & Machinery	16,17,12,564	8,75,870	—	16,25,88,434	13,76,46,493	74,48,878	—	14,50,95,371	1,74,93,063	2,40,66,071
3	Furniture, Fixtures & Air Conditioners	6,53,937	74,959	7,250	7,21,646	4,14,467	56,138	1,894	4,68,711	2,52,935	2,39,470
4	Office Vehicles	12,85,830	—	—	12,85,830	10,18,650	1,10,757	—	11,29,407	1,56,423	2,67,180
5	Computers	3,30,558	63,400	41,236	3,52,722	2,47,346	42,500	39,174	2,50,672	1,02,050	83,212
	GRAND TOTAL	18,20,44,916	13,63,345	48,486	18,33,59,775	15,07,00,434	83,38,578	41,068	15,89,97,944	2,43,61,831	3,13,44,482
	Previous year	17,33,70,295	86,74,621	—	18,20,44,916	13,17,58,913	61,42,153	(1,27,99,368)	15,07,00,434	3,13,44,482	4,16,11,382

Note :

(1) The plant is constructed on operating lease hold land taken from Visakhapatnam Port Trust.



Alufluoride Limited

Particulars	As at 31-03-2016		As at 31-03-2015	
	Rs.	Rs.	Rs.	Rs.
10 Long Term Loans & Advances:				
Secured considered good				
Security Deposits		61,85,147		40,92,624
Total		61,85,147		40,92,624
11 Investments:				
Trade Investments - Investments in Mutual funds & Equity shares of listed companies, which are traded in exchanges				
(i) Non – Current Investments :				
(a) Investments in Limited Company Shares:				
1 Alphageo India				
3,674 Equity Share of Rs.10/- each Fully paid-up	1,14,261		1,14,261	
2 BPL Ltd				
2,279 Equity Share of Rs.10/- each Fully paid-up	31,906		31,906	
3 Coromandel International Ltd				
17,500 Equity Share of Rs.1/- each Fully paid-up	46,20,036	47,66,203	46,20,036	47,66,203
Total (i)		47,66,203		47,66,203
(ii) Current Investments:				
(a) Investments in Mutual Funds:				
1. Birla Sunlife Medium Term R Growth	56,83,858		56,83,858	
3,86,071.37 units of Rs.10/- each fully paid				
2. Birla Sunlife Equity Fund	25,00,000		2,500,000	
26,780.93 units of Rs.10/- each Fully paid-up				
3. Birla Sunlife Short Term Opp.Fund	30,00,000		30,00,000	
1,49,815.73 units of Rs.20.02 each Fully paid-up				
4. DSP Black Rock Top 100 Fund	32,25,000		32,25,000	
21,707.91 units of Rs.10/- each Fully paid-up				
5. DSP BR Opportunity Fund	70,00,000		70,00,000	
46,519.67 units of Rs.10/- each Fully paid-up				
6. ICICI Prudential MIP - 25	40,00,000		—	
1,29,128.90 units of Rs.10/- each Fully paid-up				
7. IDFC Monthly Income Plan	69,70,000		—	
4,13,271.47 units of Rs.10/- each Fully paid-up				
8. IDFC Premier Equity Fund	50,00,000		50,00,000	
1,50,645.08 units of Rs.10/- each Fully paid-up				
9. Kotak Opportunities Fund	13,00,000		—	
52,879.92 units of Rs.10/- each Fully paid-up				
10. Kotak Select Focus Fund	47,54,156		40,00,000	
2,05,846.03 units of Rs.10/- each Fully paid-up				
11. Reliance Equity Opportunity Fund	25,00,000		25,00,000	
73,771.56 units of Rs.10/- each Fully paid-up				
12. Reliance Vision Fund	40,00,000	4,99,33,014	40,00,000	3,69,08,858
82,702.55 units of Rs.10/- each Fully paid-up				
Total		4,99,33,014		3,69,08,858
Less : Dimunition in value of Investments		7,41,781		—
Total (ii a)		4,91,91,233		3,69,08,858

Particulars	As at 31-03-2016		As at 31-03-2015	
	Rs.	Rs.	Rs.	Rs.
(b) Investments in Limited Company Shares:				
1 Dishman Pharma 6,800 Equity Share of Rs.2/- each Fully paid-up	10,90,259		10,90,259	
2 Edelweiss Financial Services Ltd 2,000 Equity Share of Rs.1/- each Fully paid-up	1,09,424		1,09,424	
3 ESS DEE Aluminium Ltd 2,600 Equity Share of Rs.10/- each Fully paid-up	—		12,21,258	
4 India Bulls Housing Finance Ltd 8,777 Equity Share of Rs.2/- each Fully paid-up	35,35,766		35,35,766	
5 India Bulls Real Estate Ltd 9,700 Equity Share of Rs.2/- each Fully paid-up	6,75,917		6,75,917	
6 Reliance Capital Ltd 9,050 Equity Share of Rs.10/- each Fully paid-up	49,57,462		49,57,462	
7 Suven life Sciences Lt d 3,000 Equity Share of Rs.1/- each Fully paid-up	3,63,126	1,07,31,954	3,63,126	1,19,53,212
Total (ii) (b)		1,07,31,954		1,19,53,212
Total (ii) (a) + (b)		5,99,23,187		4,88,62,070
Aggregate market value as on 31 st March, 2016 of Mutual Funds Rs. 4,91,91,233/- and Listed Company Shares is Rs. 1,78,37,268/-.				
12 Inventories: (Refer Note 1 (i) on valuation) At cost as ascertained, valued and certified by the Management.				
1 Stock of Stores and Spares		23,12,266		16,93,774
2 Stock of Stores in Transit		51,641		1,36,162
3 Stock of Raw Materials		64,44,614		96,61,850
4 Loose Tools		70,946		70,946
5 Stock of Finished Goods		4,92,62,873		6,41,35,850
Total		5,81,42,340		7,56,98,582
13 Trade Receivables: Unsecured considered Good and due for less than six months Others		3,60,05,384		1,47,03,657
Total		3,60,05,384		1,47,03,657
14 Cash & Bank balances:				
1 Cash in Hand		10,246		3,528
2 Bank Balances (with scheduled Banks): a) in Current Accounts	88,55,257		95,17,951	
b) in Various Deposit accounts less than one year	1,91,28,178	2,79,83,435	1,77,11,103	2,72,29,054
Total		2,79,93,681		2,72,32,582
15 Short Term Loans and Advances: (Unsecured, Considered Good)				
1 Advances recoverable in Cash or in kind or for value to be received:				
a) Prepaid Expenses	1,30,616		79,780	
b) Advance to suppliers & others	39,28,595		43,09,464	
c) Income tax Payments Advance Tax Payments	1,25,00,000		95,00,000	
Tax Deducted at Source	2,57,887		2,85,394	
Income Tax refunds due	56,93,260	2,25,10,358	56,93,260	1,98,67,898
2 Balances with Central Excise, customs, Port Trust, etc.				
a) Central Excise Deposits		8,49,972		7,73,400
Total		2,33,60,330		2,06,41,298

Particulars	As at 31-03-2016		As at 31-03-2015	
	Rs.	Rs.	Rs.	Rs.
16 Other Current Assets :				
1 Interest Receivable		33,28,693		22,53,316
Total		<u>33,28,693</u>		<u>22,53,316</u>
17 Revenue from Operations :				
Sales :				
1 Export Sales		—		1,20,09,804
2 Domestic Sales	34,38,02,963		23,21,33,739	
Less: Excise duty	3,82,29,379	30,55,73,584	2,55,58,993	20,65,74,746
Total		<u>30,55,73,584</u>	<u>2,55,58,993</u>	<u>21,85,84,550</u>
18 Other Income:				
1 Interest on TDR's, Deposits & Advances		26,09,911		34,02,363
2 Miscellaneous Receipts		94,01,939		1,42,06,481
Total		<u>1,20,11,850</u>		<u>1,76,08,844</u>
 (Miscellaneous receipts includes Sale of Silica (By-product) of Rs. 80,67,896/- (previous year Rs. 92,80,966/-) and Sale of Coal dust (rejections) of Rs.1,45,11,364/- (previous year Rs. 1,32,35,838/-) which is net off from coal dust transfer price and both products sale price is inclusive of excise duty)				
19 Cost of Materials Consumed:				
1 Consumption of Raw Materials		10,77,66,997		9,24,59,677
2 Packing Materials		21,56,129		15,24,590
3 Inward Freight		4,48,08,284		4,87,52,385
Total		<u>15,47,31,410</u>		<u>14,27,36,652</u>
20 Changes in Inventories:				
1 Opening Inventory		5,70,09,644		1,00,84,112
2 Closing Inventory	4,92,62,873		6,41,35,850	
Less: Provision for unpaid excise duty on finished goods	54,73,653	4,37,89,220	71,26,206	5,70,09,644
Net changes ((1)-(2))		<u>1,32,20,424</u>	<u>71,26,206</u>	<u>(4,69,25,532)</u>
21 Employee Benefits expenses:				
1 Salaries, wages & Bonus		2,30,02,419		1,93,52,705
2 Contribution to ESI & EPF		16,76,289		15,76,136
3 Staff welfare expenses		9,96,730		7,95,665
Total		<u>2,56,75,438</u>		<u>2,17,24,506</u>
22 Financial Charges:				
1 Bank Charges		10,971		28,737
Total		<u>10,971</u>		<u>28,737</u>

Particulars	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
23 Other Expenses:		
1 Power, Fuel & Water	5,03,28,558	5,10,03,446
2 Repairs & Maintenance		
- Plant	1,55,11,593	1,30,28,765
- Others	9,76,994	5,11,949
3 Other manufacturing expenses	19,06,826	18,92,190
4 Rent, Rates & Taxes	52,06,809	14,54,160
5 Insurance	2,26,469	2,06,320
6 Postage & telephone	3,26,614	3,52,015
7 Printing & Results publication charges	3,25,451	4,41,446
8 Travelling & conveyance	13,45,216	21,34,958
9 Professional expenses	6,69,500	26,93,231
10 Payments Auditors		
- Towards audit fee	75,000	75,000
- Tax Representation fee	35,000	—
11 Security charges	5,24,260	4,58,637
12 Shipment & other selling expenses	6,10,265	6,85,052
13 Donations	37,000	5,00,000
14 Exchange Rate Variation (net)	(235)	(9,92,452)
15 Fines & Penalties	1,10,000	—
16 Diminution in value of investments	7,41,781	—
17 Other expenses	22,78,812	21,10,297
Total	<u>8,12,35,913</u>	<u>7,65,55,014</u>
24 Extra-ordinary & Exceptional Expenses:		
1 Hudhud Cyclone Damage Expenses	—	23,77,716
Less: Insurance Claims Received	—	23,31,000
Total	<u>—</u>	<u>46,716</u>
25 Earning per Share:		
1 Net Profit/(Loss) after current and deferred tax	2,16,38,504	3,03,98,116
2 Weighted average number of equity shares of Rs.10/- each	70,00,400	70,00,400
3 EPS (Rs.) – Basic and Diluted	3.09	4.34

26 Employee Benefits:

- i) General Description of the Post Employment Benefits – Defined Benefit Plans
- a) **Gratuity:** Payable to employees, who render continuous service of 5 years or more, on separation, at 15 days of last drawn pay for each completed year of service.
- b) **Compensated Absence:** Encashment of accumulated earned leave, subject to maximum permissible limits as per the terms of appointment, will be paid to the employee on separation.
- i) Reconciliation of present value of defined benefit obligations

Particulars	Gratuity Rs.	Compensated Absences Rs.
Opening Balance	45,57,863	16,54,628
Current Service Cost	4,73,646	96,760
Interest	3,55,513	1,29,061
Benefits Paid	—	2,818
Actuarial Gain/Loss	2,77,005	(1,69,971)
Closing Balance	56,64,027	17,07,660

- ii) All the defined benefit plans are unfunded.
 iii) Expenses recognized in the Statement of Profit & Loss Account.

Particulars	Gratuity Rs.	Compensated Absences Rs.
Current Service Cost	4,73,646	96,760
Interest	3,55,513	1,29,061
Actuarial Gain/Loss	2,77,005	(1,69,971)
Total	11,06,164	55,850

- iv) Actuarial Assumptions

Interest/Discount rate - 8.26%	Salary Escalation - 10 %
Age - 58	Withdrawal Rate - 10%

27 Pending Forward Contracts:

Statement of forward contracts for hedging of foreign currency fluctuation risk on certain firm commitments and forecasted transactions, outstanding as on 31-03-2016:

S.No	Particulars	As on 31-03-2016		As on 31-03-2015	
		No of contracts	Amount Rs.	No of contracts	Amount Rs.
1	Currency swaps	NIL	NIL	NIL	NIL

28 Contingent liabilities:

1. Claims against the Company not acknowledged as debts:
 - a. In respect of disputed Tax Collected at Source (TCS) demand of Rs.56,480/- with the Income tax department which is unpaid.
 - b. Legal notice issued by a supplier for capital goods against the Company for which the Company is disputing and had already provided sufficient liability in the books of account to the tune of Rs.12,35,756/-
 - c. Company received show cause notice from the Additional Commissioner of Central Excise and letter from Superintendent of Central Excise for short payment of Duty on sale of coal fines amounting to Rs.16,66,610/-. The Show cause notice is not adjudicated as on 31st March, 2016 and the Company replied that there is no manufacturing activity involved for separation of coal fines, and the duty paid by the Company is correct.
2. Bank guarantees/Letter of Credit in force (Previous year - Rs. Nil) – Rs. Nil.

- 29 The Company availed CENVAT benefit, on Capital Goods, the balance of which is identified and disclosed separately. Fixed assets of the Company are disclosed at a value exclusive of Excise Duty paid. Opening & Closing stock of finished goods includes applicable Excise duty of Rs.71,26,206/- and Rs. 54,73,653/- respectively.

30 Segment Reporting:

Since the Company is dealing with a single product the disclosure requirements issued by the ICAI are not applicable.

31 Related Party Transaction:

List of Related Parties with whom transactions have taken place during the year :

Associate Companies : M/s Anar Enterprises Private Ltd, M/s Kaiser Finance & Leasing Private Ltd and M/s Visakha Finance Ltd

Key Management Personnel : Sri Venkat Akkineni, Managing Director,
Smt. Jyothsana Akkineni, Executive Director and
Sri K. Purushotham Naidu, Director (Finance & Admn).

Rent to M/s Anar Enterprises (P) Ltd: **Rs. 1,38,000** (Previous year Rs.1,38,000)
Rent to M/s Kaiser Finance & Leasing (P) Ltd.: **Rs. 2,01,600** (Previous year Rs.2,01,600)
Rent to M/s Visakha Finance Ltd: **Rs. 60,000** (Previous year Rs.60,000)

Managerial Remuneration:
– Salary & Commission: **Rs. 42,12,218** (Previous year Rs.40,97,928)
– Perquisites & Contributions: **Rs. 9,30,874** (Previous year Rs.9,19,712)
– Director’s Sitting fee: **Rs. 13,000** (Previous year Rs.16,000)
– Director’s Travelling Expenses: **Rs. 8,93,330** (Previous year Rs.8,63,048)

32 Foreign Exchange Details:

S.No	Particulars	For the year ended 31-03-2016 Rs.	For the year ended 31-03-2015 Rs.
1	Foreign Exchange Earnings/Imports:		
(a)	Foreign Exchange – FOB	---	1,30,99,700
(b)	Values of imports computed on CIF Basis (Components & spare parts)	24,83,395	27,50,068
(c)	Expenditure in Foreign Currency Travelling & Others (Technical Consultant’s fee)	—	13,31,911

Per our separate report of even date

For **RAO & KUMAR**
Chartered Accountants
FRN. 03089S

For and on behalf of the Board

CA V.V. RAM MOHAN
Partner
M.No.18788

VENKAT AKKINENI
Managing Director
DIN: 00013996

Dr. T.R. RAMACHANDRAN
Director
DIN: 01276745

Hyderabad
29 April, 2016

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

V.B.RAMA SARMA
Company Secretary
M No. ACS22066

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016.**

	2015-16 Rs.	2014-15 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) after Extra-ordinary items and before tax	3,43,72,700	3,58,85,148
Adjustments for :		
Income tax refund/earlier taxes	(4,03,394)	(4,16,828)
Depreciation	83,38,578	61,42,153
Deferred Revenue expenditure written off	7,41,781	—
Operating Profit before working capital changes	4,30,49,665	4,16,10,473
Adjustments for :		
Trade & other Receivables	(2,71,88,659)	82,05,470
Inventories	1,75,56,242	(5,18,18,787)
Trade payables & other payables	(1,92,59,201)	1,97,17,046
NET CASH FROM OPERATING ACTIVITIES	1,41,58,047	1,77,14,202
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (net)	(20,97,708)	(89,80,404)
Expenditure under construction (New Project)	(2,38,123)	(3,05,783)
Investments in Shares/Mutual Funds	(1,10,61,117)	(43,05,734)
NET CASH USED IN INVESTING ACTIVITIES	(1,33,96,948)	(1,32,86,138)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	- Nil -	- Nil -
Proceeds from borrowings	- Nil -	- Nil -
NET CASH USED IN INVESTING ACTIVITIES		
Net changes in Cash and Cash equivalent (A+B+C)	7,61,099	44,28,064
Cash and Cash equivalent - Opening Balance	2,72,32,582	3,16,60,646
Cash and Cash equivalent - Closing Balance	2,79,93,681	2,72,32,582

For and on behalf of the Board

Hyderabad
29 April, 2016**VENKAT AKKINENI**
Managing Director**AUDITOR'S CERTIFICATE**

The above cash flow statement has been compiled from and is based on the audited accounts of Alufluoride Limited for the year ended 31st March, 2016. According to the information and explanations given the aforesaid cash flow statement has been prepared pursuant to Clause 32 of Listing Agreements with Stock Exchanges and the reallocations required for the purpose are as made by the Company.

For **RAO & KUMAR**
Chartered Accountants
FRN.03089SHyderabad
29 April, 2016**CA V.V. RAM MOHAN**
Partner
M. No.18788

INSTRUCTIONS ON ELECTRONIC VOTING

The procedure and instructions for Members for e-voting are as under:-

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab
- (iii) Now, select the Company name “ALUFLUORIDE LIMITED” from the drop down menu and click on “SUBMIT”.
- (iv) Now enter your User ID :-
 - (a) For CDSL - 16 digits beneficiary ID,
 - (b) For NSDL - 8 Characters DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Captcha Code (Image Verification Code) as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below (Applicable for both demat shareholders as well as physical shareholders).
- (viii) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (available in the Address Label pasted in the cover and/or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name. Eg. If your name is Ramanathan with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company, please enter the Member id / folio number in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen.
- (xi) Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xii) You can also update your mobile number and E-mail ID in the user profile details of the folio, which may be used for future Communication(s).
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this AGM Notice.
- (xiv) Click on the EVSN (Electronic Voting Sequence Number) of “ALUFLUORIDE LIMITED” to vote.
- (xv) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xvi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions
- (xvii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xviii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xx) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code (Image Verification Code) and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a User ID to able to link the account(s) which they wish to vote and then cast their vote on
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Once the vote on the Resolution is cast by the Shareholders, they shall not be allowed to change it subsequently.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at www.evotingindia.co.in under help section or Write an email to helpdesk.evoting@cdslindia.com.
- (xxiii) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman/Director of the Company
- (xxiv) The Results on Resolutions shall be declared on or after the AGM of the Company by the Chairman of the Company or by any other persons duly authorized in this regard. The Resolutions will be deemed to be passed on the date of Annual General Meeting subject to receipt of the requisite number of votes. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.alufluoride.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
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Alufluoride Limited

Regd.Off: Mulagada, Mindi, Visakhapatnam - 530 012, AP, India.

FORM No. MGT-11

PROXY FORM

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

CIN No. : L24110AP1984PLC005096
Registered Folio No./Client ID
Name of the Company :
Registered Office:.....
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. Name:.....
Address:.....
E-mail Id:.....
Signature:....., or failing him
2. Name:.....
Address.....
E-mail Id:.....
Signature:....., or failing him
3. Name:.....
Address:.....
E-mail Id:.....
Signature:.....

as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 30th September, 2016 at 11.00 A.M. at the Registered Office of the Company, situated at Mulagada, Mindi, Visakhapatnam-530 012 and at any adjournment thereof in respect of such resolutions as are indicated below:

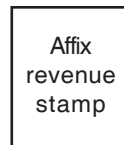
Resolution No.

1. To receive, consider and adopt the Audited Balance Sheet as on 31stMarch, 2016 and Profit and Loss Account for the period ended 31st March, 2016 together with the reports of Directors and Auditors thereon.
2. To reappoint the Statutory Auditors M/s. Rao & Kumar, Visakhapatnam for Financial Year 2016-17.
3. To appoint Sri Ashok Vemulapalli, Director retiring by rotation.
4. To reappoint Sri Venkat Akkineni as Managing Director
5. To reappoint Smt. Jyothsana Akkineni as Executive Director.
6. To reappoint Sri K. Purushotham Naidu as Director (Finance & Admn).

Signed this _____ day of _____ 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____



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.



Alufluoride Limited
 Regd.Off : Mulagada, Mindi
 Visakhapatnam - 530 012, AP, India

ATTENDANCE SLIP

Registered Folio No.	DP ID*/ Client ID*
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Number of equity shares held

Name of the Member/Proxy

I/We hereby accord my/our presence at the as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 30th September, 2016 at 11.00 A.M. at the Registered Office of the Company, situated at Mulagada, Mindi, Visakhapatnam-530 012.

Signature of the Member/Proxy attending the Meeting

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting

**applicable for members holding shares in Demat mode*

FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To
 Alufluoride Limited
 Mulagada, Mindi
 Visakhapatnam 530 012, AP, India

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder :

DP ID / Client ID / Regd. Folio No. :

PAN No. :

E-mail Address :

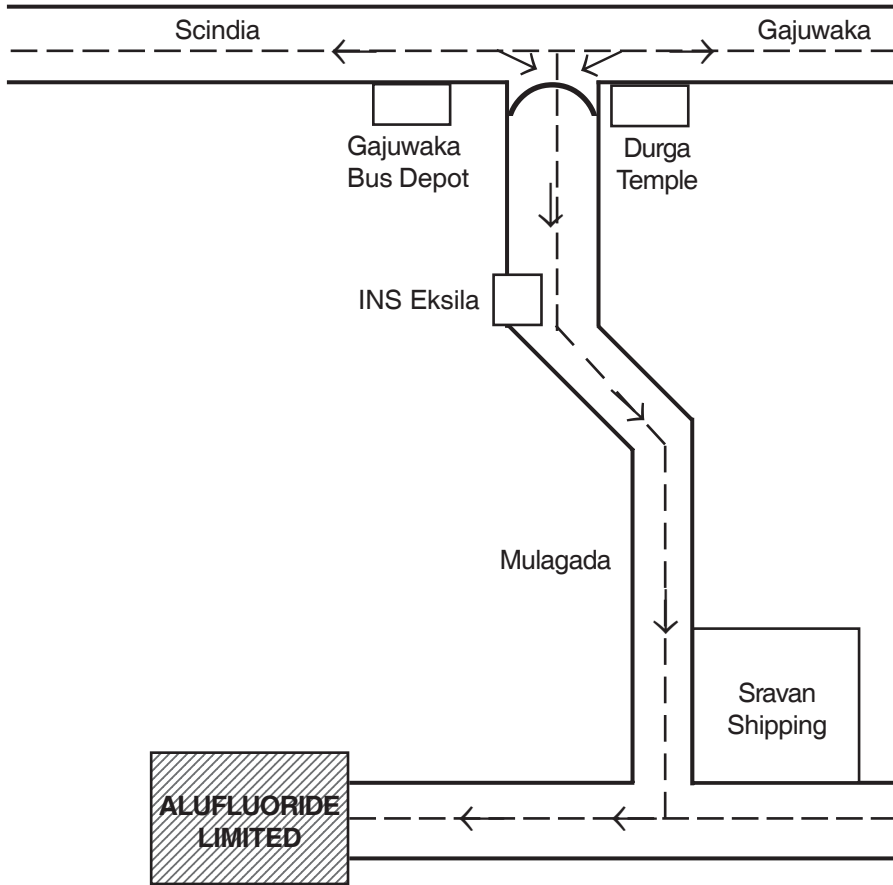
Date:

Place: (Signature of Member)



Alufluoride Limited
Regd.Off : Mulagada, Mindi
Visakhapatnam - 530 012, AP, India
Phone : 0891-2548567

Route Map to AGM Venue



(Map not to scale)

PRINTED MATTER

To

If undelivered, Please return to:

ALUFLUORIDE LIMITED
MULAGADA, MINDI,
VISA KHAPATNAM 530 012, INDIA

Phone : (91 891) 254 8567
Fax : (91 891) 254 8567
Email : contact@alufuoride.com
Web : www.alufuoride.com