ELANGO
INDUSTRIES

ANNUAL REPORT

27

2015-2016

Elango
Industries Limited

5, Ranganathan Garden, 15th Main Road,
Anna Nagar, Chennai-600 040.

ELANGO INDUSTRIES LIMITED

Registered Office

No.5, Ranganathan Garden
15th Main Road Extn.,
Anna Nagar
Chennai – 600 040.

Board of Directors

Mr. S. Elangovan - Managing Director
Mr. S.A.Premkumar - Director
Mr. K. S. Shanmugam - Director
Dr. V.R. Subramanian – Director-Independent
Dr. M. Ramasamy –Director -Independent
Ms. Preethi Natarajan- Independent Woman Director

Company Secretary

Mr. N.Asokan

Chief Financial Officer

Mr. R.Ramesh

Bankers

State Bank of India

Auditors

M/s. V. Senthilnathan & Co.,
Chartered Accountants
Chennai – 600 040.

Registrar & Share Transfer Agent

Cameo Corporate Services Limited

Subramanian Building, 1, Club House Road,
Anna Salai, Chennai - 600002,
Ph : +91-44-28460390
Fax : +91-44-28460129
E-mail: investor@cameoindia.com

General Information

(a) Company's Corporate Identification Number (CIN): **L27104TN1989PLC017042**

(b) Company's Shares Listed at BSE Ltd.

(c) Company's Shares are mandated for trading in dematerialization mode.

(d) ISIN allotted to company's share is **INE594D01018**

27th Annual General Meeting

Date & Time

29th September, 2016 at 11.00 A.M

Venue

No.5, Ranganathan Garden
15th Main Road Extn.,
Anna Nagar, Chennai – 600 040.

Book closure
From 23rd September, 2016 to 29th September, 2016 (both days inclusive)

ELANGO INDUSTRIES LIMITED

CIN: L27104TN1989PLC017042

No:5 , Ranganathan Gardens, 15th Main Road - Extn. Anna Nagar , Chennai -600040

Telephone No: 044- 4217 2116: Fax 044- 4217 2118

Website:www.elangoindustries.com. E-Mail: asokan@kaveripower.com

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting of the members of ELANGO INDUSTRIES LIMITED will be held on Thursday the 29th day of September, 2016 at 11 AM.**, at the Registered Office of the Company at No.5, Ranganathan Garden, (15th Main Road Extension) Anna Nagar, Chennai – 600 040, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2016 and the Statement of Profit and Loss for the year ended 31st March 2016 together with the Auditors' Report and Boards' Report thereon.
2. To appoint a Director in the place of Mr K.S.Shanmugam who retires by rotation being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr.S.A.Premkumar who retires by rotation being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and authorize the Board to fix their remuneration.

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made there-under, M/s.V. Senthilnathan & Co, Chartered Accountants, Chennai -Firm's Regn. No: 003711S allotted by The Institute of Chartered Accountants of India, be and are hereby appointed as statutory auditors of the Company to hold office, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration, as may be fixed in this behalf by the board of directors of the Company.

SPECIAL BUSINESS:

5. To consider passing the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 (1) (d) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to execute the Technical & Marketing Services Agreement with Kaveri Gas Power Ltd - "KGPL" Chennai (a Group Company) on the following terms and conditions:

(a) Nature of the Contract: Provision of technical, operation and maintenance services by the company by "KGPL"

(b) Price Structure: "KGPL" shall pay a monthly fee of based on the market related rates for the technical, operation and maintenance services provided by the company. This fees shall not include fees for major overhaul of engines as and when due, or any other services for which separate fees will be charged by the company. Our company will also undertake Marketing & Consultancy Services for which the "KGPL" shall pay charges based on the market related rates to the company on the power supplied to Captive and Third party consumers "KGPL". The above fees are exclusive of Taxes and duties, as applicable.

(c) Term of Contract: The contract period is for 5 years effective from 01st October 2016 and shall be renewable upon mutual consent of both parties."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above Resolution.

6.To consider passing the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 188 (1) (d) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to execute the Marketing & related Services Agreement for a cumulative monthly fees based on the market related rates with **M/s. Cauvery Power Generation Chennai Private Limited** (CPGCPL), Chennai (a Group Company) on the following terms and conditions:

a) Nature of the Contract: Marketing & Related Services Agreement for selling the Power generated by "CPGCPL".

b) Price Structure: The CPGCPL shall pay a cumulative monthly fees based on the market related rates for the Marketing & related Services provided by the Company.

c) Term of Contract: The contract period is for a period of five years from 01-10-2016 and shall be renewable upon mutual consent of both parties. Commencement of Contract will be decided by the Management.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above Resolution".

7.To consider passing the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 (1) (d) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to execute an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment " run by Cauvery Power Trading Chennai Private Ltd -"CPTCPL" for an annual fees of not less than Rs.10 Crores but not exceeding Rs 50 Crores** for a period of five years from 01-10-2016 and shall be renewable upon mutual consent of both parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above Resolution".

8.To consider passing the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 (1) (d) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to execute an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment" run by Cauvery Television and Entertainment Private Ltd -"CTEPL" for an annual fees of not less than Rs.10 Crores but not exceeding Rs 50 Crores** for a period of five years from 01-10-2016 or from such other date as decided by the Board of Directors and shall be renewable upon mutual consent of both parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above Resolution".

For and on behalf of the Board

Place: Chennai

Date: 25-05-2016

(S.Elangovan)

Chairman & Managing Director

EXPLANATORY STATEMENT UNDER SECTION 102 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS THE "ACT"):

ITEM NO:5

The members of the company may please note that the company has to obtain the approval of the members of the company for entering into related party transactions with related parties pursuant to the provisions of the Companies Act 2013. It may also be noted that "Kaveri Gas Power Ltd" - "KGPL", Chennai (a Group Company). "KGPL", is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to Para 3 of the Explanations to Rule 15 of Companies Meeting of Board and its Powers) Rules, 2014 are as under:

(a)	Name of the related party	Kaveri Gas Power Ltd
(b)	Name of the Director or Key Managerial personnel who is related	Mr. S Elangovan, Mr. S A Premkumar, Mr. K S Shanmugam are common directors between the Company and Kaveri Gas Power - "KGPL" and except for this, no director or key managerial personnel is related.
(c)	Nature of relationship	The company holds around 0.6% Equity Share Capital of the company
(d)	Nature, Material terms, monetary value and particulars of the agreement	(i) Provision of technical, operation and maintenance services by the company to "KGPL". (ii) Price Structure: "KGPL" shall pay a monthly fee based on the market related rates for the technical, operation and maintenance services provided by the company. This fees shall not include fees for major overhaul of engines as and when due, or any other services for which separate fees will be charged by the company. The company will also undertake Marketing & Consultancy Services for which "KGPL" shall pay charges based on the market related rates to the company on the power supplied to Captive and Third party consumers "KGPL". The above fees are exclusive of Taxes and duties, as applicable. (iii) The contract period is for 5 years effective from 01st October 2016 and shall be renewable upon mutual consent of both parties.

(e)	Any other information relevant or important for the members to take a decision on the proposed resolution.	

Mr.S.Elangovan Managing Director, Mr.K.S. Shanmugam and Mr.S.A.Premkumar Directors of the company are concerned or interested financially or otherwise in passing of this resolution.

ITEM NO:6

The members of the company may please note that the company has to obtain the approval of the members of the company for entering into related party transactions with related parties pursuant to the provisions of the Companies Act 2013. It may also be noted that "Cauvery Power Generation Chennai Private Ltd "CPGCPL", Chennai (a Group Company). "CPGCPL", is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to Para 3 of the Explanations to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

(a)	Name of the related party	Cauvery Power Generation Chennai Private Ltd. –"CPGCPL"
(b)	Name of the Director or Key Managerial personnel who is related	Mr. S Elangovan, Mr. S A Premkumar, are common directors between the Company and CPGCPL". "CPGCPL" and except for this, no director or key managerial personnel is related.
(c)	Nature of relationship	"CPGCPL" is a group company.
(d)	Nature, Material terms, monetary value and particulars of the agreement	a) Marketing & Related Services Agreement for selling the Power generated by CPGCPL. b)The CPGCPL shall pay a cumulative monthly fees based on the market related rates for the Marketing & related Services provided by the Company. c) The contract period is for a period of five years from 01-10-2016 and shall be renewable upon mutual consent of both parties.
(e)	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Mr.S.Elangovan Managing Director and Mr.S.A.Premkumar directors of the company are concerned or interested financially or otherwise in passing of this resolution.

ITEM NO:7

The members of the company may please note that the company has to obtain the approval of the members of the company for entering into related party transactions with related parties pursuant to the provisions of the Companies Act 2013. It may also be noted that "Cauvery Power Trading Chennai Private Ltd "CPTCPL", Chennai (a Group Company). "CPTCPL", is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to Para 3 of the Explanations to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Execution of an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment" run by Cauvery Power Trading Chennai Private Ltd - "CPTCPL" for an annual fees of not less than Rs.10 Crores but not exceeding Rs 50 Crores** for a period of five years from 01-10-2016 and shall be renewable upon mutual consent of both parties.

ITEM NO:8

The members of the company may please note that the company has to obtain the approval of the members of the company for entering into related party transactions with related parties pursuant to the provisions of the Companies Act 2013. It may also be noted that "Cauvery Television and Entertainment Private Ltd "CTEPL", Chennai (a Group Company). "CTEPL", is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to Para 3 of the Explanations to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Execution of an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment " run by Cauvery Television and Entertainment Private Ltd -"CTEPL" for an annual fees of not less than Rs.10 Crores but not exceeding Rs 50 Crores** for a period of five years from 01-10-2016 or from such other date as decided by the Board of Directors and shall be renewable upon mutual consent of both parties.

For and on behalf of the Board

Place: Chennai

Date: 25-05-2016

(S.Elangovan)

Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy / proxies to attend and vote instead of him-self/ her-self. Such a proxy/ proxies need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of appointing the Proxy and the Power of Attorney or other Authority, if any, under which it is signed or a Notary Attested copy of the Power of Attorney or other, in order to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the holding the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a proxy for more than 50 members and holding in aggregate not more than ten percent of the total voting share capital of the company. However a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the company provided that such person shall not act as a Proxy for any other person.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act 2013 in respect of special businesses as set out in the Notice is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 23-09-2016 to 29-09-2016 (both days inclusive).

4. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding/trading.

5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their dematerialized account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company.

7. Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment. Though it is not mandatory to furnish the above details in terms of the exemption provided under the recent circular, the company is furnishing the same on a voluntary basis.

8. Electronic copy of the Notice of the 27th Annual General Meeting of the company inter alia indication the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

9. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of addresses to their Depository Participants.

10. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.

11. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form and handover the Slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representatives to attend and vote at the Annual General Meeting.

12. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's Website:elangoindustries.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai or inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id:asokan@kaveripower.com.

Brief note on Directors seeking re-appointment or appointment at the AGM.

i.) Mr.S.A.Premkumar, aged about 45 Years having more than 12 years in the Power Generation Industry.

ii) Mr.K.S.Shanmugam, aged about 93 years.

13. In terms of the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing obligations and Discloure Requirements) Regulations 2015 the Company is pleased to provide members facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e–voting") will be provided by Central Depository Services of India Limited (CDSL).

14. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

    Voting rights are reckoned on the basis of the shares registered in the names of the members / beneficial owners as on the cut off date fixed for this purpose, viz.,22-09-2016.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Monday the 26th September 2016 at (10.00 a.m.) and ends on Wednesday the 28th September 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22-09-2016. may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) 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.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and 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) · 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 8 digits of the sequence number 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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. · If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd day of September 2016. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date i.e.22nd day of September, 2016, may obtain the login ID and password by sending a request at evoting@cdslindia.com. However if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.

(xxiii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut –off date only shall be entitled to avail the facility of remote e –voting as well as voting at the AGM through ballot paper.

(xxiv) T.Balasubramanian, Practising Company Secretary, Chennai, have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

15. Request for additional information, if required: In case you intend to raise any queries in the forthcoming Annual General Meeting, you are requested to please forward the same at least 10 days before the date of the Meeting to Mr. N.Asokan, Company secretary, so that the same may be attended to your entire satisfaction.

16. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website: **www.elangoindustries.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 BSE limited.

17. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

18. As a responsible corporate citizen, your Company welcomes and supports the Green Initiative taken by the MCA, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

19. The Annual Report and other communication sent electronically will also be displayed on company's website: **www.elangoindustries.com.**

For and on behalf of the Board

Place: Chennai
Date: 25-05-2016

(S.Elangovan)
Chairman & Managing Director

ELANGO INDUSTRIES LIMITED

CIN: L27104TN1989PLC017042

No.5, Ranganathan Garden, 15th Main Road – Extn. Anna Nagar, Chennai – 600 040

Telephone No: 044- 4217 2116: Fax 044- 4217 2118

Website:www.elangoindustries.com. E-Mail: asokan@kaveripower.com

BOARDS' REPORT

Dear Members,

The Board of Directors have great pleasure in presenting the **27th Annual Report of the Company** together with the Audited Balance Sheet of the Company as at 31st March, 2016, the Statement of Profit and Loss for the year ended on that date and the Auditors' Report thereon.

FINANCIAL SUMMARY/ HIGHLIGHTS:

Rs. Lakhs

	2015-16	2014-15
Net Sales/ Income	-	-
Other Income	89.62	-
Profit/Loss Before Depreciation and Tax	59.83	(74.87)
Depreciation	-	-
Profit/Loss before Tax	59.83	(74.87)
Less : Provision for Tax	-	-
Profit/Loss after Tax	59.83	(74.87)
Add : Profit/ Loss brought forward	(19.27)	64.95
Adjustments related to fixed assets	-	(9.35)
Profit/Loss Carried to Balance Sheet	40.56	(19.27)

As the members of the company are aware, that approval of the members was accorded at the 26th Annual General Meeting –"AGM" for undertaking "Operation & Maintenance"–(O & M) activities and other service activities for Cauvery Power Generation Chennai Private Ltd –"CPGCPL". Accordingly the company entered in to an O & M Contract with "CPGCPL" with effect from 01-10-2015 which has yielded a revenue of Rs 28.65 lakhs during financial year under report. Apart from the above, dividend income of Rs 60.76 lakhs was also received from the investment made in our group company Viz. Kaveri Gas Power Ltd –"KGPL".

During the year under review, "KGPL" redeemed its entire preferential capital which obtained a sum of Rs 3,03,80,000/- for our company towards redemption money on the investments of 30,38,000 redeemable preference shares of Rs 10/- each held in "KGPL".

OUTLOOK:

The revenues to be generated from the Operations & Maintenance - O & M Contracts entered in to with M/s Cauvery Power Generation Chennai Private Ltd –"CPGCPL", Chennai will increase during the year under review due to operation of activities for the entire financial year. In order to augment more revenues, the company has planned to undertake and execute EPC Contracts for "CPGCPL", Chennai and O & M Contracts for M/s Cauvery Solar Power Private Ltd –"CPGCPL", Chennai (both are Group Companies) for which necessary approval of shareholders have been obtained at the 26th Annual General Meeting held on 29-09-2015.

The company has planned to enter in to a Technical & Marketing Services Agreement with "KGPL" for providing operation and maintenance services to "KGPL". The company will also undertake Marketing & Consultancy Services for "KGPL". A separate resolution is proposed for obtaining the approval of the members in the Annual General Meeting by the company for undertaking the above activities.

The company is also entering in to a Marketing & Related Services Agreement for selling the Power generated by Cauvery Power Generation Chennai Private Ltd- "CPGCPL" and for Marketing & related Services provided by the Company.

It is a matter of immense pleasure to record that "Elango Industries Group" has diversified in to the business of running a television news channel for which the company will undertake backend work of the Television News Channels Viz."Cauvery News and Entertainment" run by Cauvery Power Trading Chennai Private Ltd -"CPTCPL" or with Cauvery Television and Entertainment Private Ltd -"CTEPL".

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the company between 31st March 2016 and the date of Board's Report.

DIVIDEND:

Considering financial performance, your Directors have decided not to declare any Dividend for this year.

BOARD MEETINGS:

During the Financial Year four meetings of the Board of Directors were held on 28-05-2015, 12-08-2015, 28-10-2015, and 03-02-2016.

ATTENDANCE OF DIRECTOR :

	Attendance of Director	*No. of Board Meeting Attended*
1.	Mr. S. Elangovan	4
2.	Mr. S.A. Premkumar	4
3.	Mr. K.S. Shanmugam	4
4.	Dr. V.R. Subramanian	4
5.	Mrs. Preethi Natarajan	4
6.	Dr. M. Ramaswamy	4

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under report, Mr.K.S.Shanmugam and Mr.S.A.Premkumar were re-appointed as Directors of the company.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act 2013.

SECRETARIAL AUDIT:

Secretarial Audit Report as provided by Mr.T.Balasubramanian, Practicing Company Secretary, is annexed to this Report as annexure.

COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee consists of three Directors Viz. Mr.S.A. Premkumar, Dr.Ramasamy and Ms. Preethi Natarajan. During the year, four meetings of the Audit Committee were held 28-05-2015, 12-08-2015, 28-10-2015, and 03-02-2016. All the above three Directors attended the above four meetings.

REASONS FOR NOT ACCEPTING THE RECOMMENDATIONS OF THE AUDIT COMMITTEE:

There are no recommendations of the Audit Committee not accepted by the Board.

DETAILS OF RELATED PARTY TRANSACTIONS:

Approval of the members was accorded at the 26th Annual General Meeting –AGM for undertaking "Operation & Maintenance" –(O & M) activities and other service activities for Cauvery Power Generation Chennai Private Ltd –"CPGCPL". Accordingly the company entered in to an O & M Contract with "CPGCPL" with effect from 01-10-2015 which has yielded a revenue of Rs 28.65 lakhs during financial year under report. Apart from the above, dividend income of Rs 60.76 lakhs was also received from the investment made in our group company Viz. Kaveri Gas Power Ltd –"KGPL".

The company is seeking the approval of shareholders for the following related party transactions at the 27th Annual General Meeting of the members of the company.

During the current financial year, the company is entering into a Technical & Marketing Services Agreement with Kaveri Gas Power Ltd - "KGPL" Chennai (a Group Company) for provision of technical, operation and maintenance services by the company. "KGPL" shall pay a monthly fee based on the market rates for the technical, operation and maintenance services provided by the company. This fees shall not include fees for major overhaul of engines as and when due, or any other services for which separate fees will be charged by the company. Our company will also undertake Marketing & Consultancy Services for which "KGPL" shall pay charges based on the market related rates to the company on the power supplied to Captive and Third party consumers. The above fees are exclusive of Taxes and duties, as applicable. The contract is for a period of five years from 01-10-2016.

Apart from the above, the company is also entering into a Marketing & Related Services Agreement for selling the Power generated by "CPGCPL". The "CPGCPL" shall pay a cumulative monthly fees based on the market related rates for the Marketing & related Services provided by the Company for a period of five years from 01-10-2016 years.

Elango Industries Group has diversified in to the business of running a television news for which the company will **undertake backend work of the Television Channels Viz."Cauvery News and Entertainment" run by Cauvery Power Trading Chennai Private Ltd -"CPTCPL" and with Cauvery Television and Entertainment Private Ltd -"CTEPL" for an annual fees of not less than Rs.10 Crores but not exceeding Rs 50 Crores** for a period of five years from 01-10-2016 or from such other date as decided by the Board of Directors and shall be renewable upon mutual consent of both parties.

THE COMMITTEE FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR:

a)Re-constitution of Nomination and Remuneration Committee:

The Board of Directors at their meeting held on 28-05-2015 re-constituted a committee of the Board of Directors was constituted to be called as "Nomination and Remuneration Committee" and framed the "Nomination and Remuneration Policy" in accordance with the provisions of Section 178 of the Companies Act, 2013 with the following members:

1. Mr.S.A.Premkumar
2. Dr.V.R.Subramanian
3. Dr.M.Ramasamy

The above three Directors attended the Nomination and Remuneration Committee Meeting held on 12th August 2015.

Nomination and Remuneration Policy

The Company has Audit cum Remuneration Committee in accordance with the provisions of Listing Agreement with Stock Exchange. The Board of Directors of the Company has re-constituted "Nomination and Remuneration Committee" on 28th May, 2015 in compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

Objectives:

The Key Objectives of the Committee and the Policy:

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

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

Role of Committee:

The role of the Committee inter alia will be the following:

a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) to recommend to the Board the appointment and removal of Senior Management.

c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management remuneration and incentive.

e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

f) to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration Policy:

Managing Director (s) and Independent Directors:

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Executive and Non - Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable.

The Company does not pay remuneration by way of salary, and allowances (fixed component) to Managing Director(s). Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity

CS and Senior management personnel:

The remuneration of CS and senior management largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

b) Constitution Of Stakeholders' Relationship Committee:

The Board of Directors at their meeting held on 16-05-2014 constituted a committee of the Board of Directors to be called as Stakeholders' Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 with the following members:

1. Mr.S.A.Premkumar
2. Mr.S.Elangovan
3. Dr.V.R.Subramainiam

During the year, the above three directors attended the meetings held on 28.05.2015, 06.08.2015, 26.10.2015, 29.10.2015, 03.02.2016, 18.02.2016.

VIGIL MECHANISM:

The company has established a vigil mechanism (for directors and employees to report genuine concerns) pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and as per Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and there are no significant events for reporting.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

a) That in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures ;

b) That the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2016.

c) That the Directors had taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31st March, 2016 in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for the prevention and detection of Fraud and other irregularities.

d) That the Directors had prepared the Annual Accounts on an ongoing basis.

e) That 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.

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

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES/ASSOCIATES:

The company invested a sum of Rs 3,03,80,000/- in the preference share capital Viz. 30,38,000 redeemable preference shares of Rs 10/- each of Kaveri Gas Power Ltd -"KGPL". During the year under review, "KGPL" redeemed its entire preferential capital which obtained a sum of Rs 3,03,80,000/- for our company towards redemption money on the investments held in "KGPL". A dividend income of Rs 60.76 lakhs was also received from the above investment.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing inter alia the audited accounts has been placed on the website of the Company at www.elangoindustries.com.

AUDITORS:

M/s. V.SENTHILNATHAN & Co., Chartered Accountants, Chennai, the Statutory Auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment and all employees (permanent, contract, temporary, trainees) are covered under this policy. During the year NO complaints has been received by the ICC on sexual harassment.

DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

The company has no activities at present and hence details are not furnished.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

INTERNAL CONTROL AND THEIR ADEQUACY:

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to management is reliable and timely. Company ensures adherence to all statutes.

INTERNAL FINANCIAL CONTROLS:

The Internal Financial Control systems are adequate considering the present state of business. The company has established Internal Financial Control framework including internal control over financial reporting operating controls and fraud framework. The framework is revised regularly by the management and tested by the internal audit team. Based on the periodical testing, the frame work is strengthened from time to time to ensure adequacy and effectiveness of Internal Financial Controls. The Report of the Statutory Auditors containing the Internal Financial Controls is given in Annexure –B of the Statutory Auditors Report for the year ended 31-03-2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not taken any secured loans or unsecured loans under the Companies Act 2013.

RISK MANAGEMENT POLICY:

As already stated since the company has no activities there are no assets which are active. Hence the company has not framed any risk management policy.

FORMAL ANNUAL EVALUATION:

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

RATIO OF REMUNERATION TO EACH DIRECTOR:

No remuneration was paid to the Directors of the company.

LISTING WITH STOCK EXCHANGE:

The company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the company's shares are listed.

SECRETARIAL STANDARDS:

The company has adhered to the Secretarial Standards and made disclosures in relation to the Boards' Report for the year under review.

EVENT BASED DISCLOSURES:

Since the company has not issued any Sweat Equity Shares, Equity Shares with differential voting rights and issue of shares under employees stock option scheme, the details are not given.

The company had not made any purchase of shares or given any loans for purchase of shares.

The company had not made any buy- back of shares.

DIRECTORS SEEKING RE-APPOINTMENT:

i.) Mr.S.A.Premkumar, aged about 45 Years having more than 12 years in the Power Generation Industry.

ii) Mr.K.S.Shanmugam, aged about 92 years.

The brief resume of the directors proposed to be re-appointed and other relevant information have been furnished in the Notice convening the AGM. Appropriate resolutions for their appointment/re-appointment are being placed for approval of the members at the AGM. The board, therefore, recommends their appointment / re-appointment as directors of the Company.

ACKNOWLEDGEMENT

Your Directors would like to place on record their gratitude to the Members for their continued support and confidence. Your Directors also would like to thank the Staff Members at various levels for their committed Services for the Company.

For and on behalf of the Board

Place: Chennai

Date: 25-05-2016

(S.Elangovan)

Chairman & Managing Director

Annexure -I

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

Since the company has no activities at present, details are not furnished.

Annexure -II

FORM MGT -9

EXTRACT OF THE ANNUAL RETURN UNDER THE COMPANIES ACT 2013:

As on the Financial Year ended on March 31, 2016 [Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014]

I. Registration & Other Details:

i.	CIN	:	L27104TN1989PLC017042
ii.	Registration Date	:	13-03-1989
iii.	Name of the company	:	Elango Industries Ltd
iv.	Category or Sub-Category of the company	:	Steel Ingots
v.	Address of the Registered Office & Contact Details	:	No.5, Ranganathan Garden, 15th Main Road Extn. Anna Nagar, Chennai-600040
vi.	Whether Listed company	:	Yes
vii.	Name, Address and contact details of Registrar & Transfer Agent	:	Cameo Corporate Services Limited, No.1, Club House Road, Chennai 600 002

II. Principal Business Activities of the company:

The company has been carrying on "Operation & Maintenance"–(O & M) activities and other service activities for Cauvery Power Generation Chennai Private Ltd –"CPGCPL". Accordingly the company entered in to an O & M Contract with "CPGCPL" with effect from 01-10-2015.

III. Particulars of Holding, Subsidiary and Associate Companies:

Sl No	Name & Address of the company	CIN	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable Section

Nil

IV. Shareholding Pattern (Equity Share capital Break-up as percentage of total Equity:

i. Categorywise shareholding:

Category Code	Category of Shareholder	No.of shares at the beginning of the year				No.of shares at the end of the year			
		Dematerialized Form	Physical Form	Total %	% of Total Shares	Dematerialized Form	Physical Form	Total %	% of Total Shares
(A)	**Promoters**								
1	Indian								
(a)	Individuals/ Hindu Undivided Family	944500	22725	967225	25.35%	944450	22725	967175	25.34%
(b)	Central Government/ State Government(s)	0	0	0	0.00%	0	0	0	0.00%
(c)	Bodies Corporate	200000	75000	275000	7.21%	200000	75000	275000	7.21%
(d)	Financial Institutions/ Banks	0	0	0	0.00%	0	0	0	0.00%
(e)	Any Others(Specify)	0	0	0	0.00%	0	0	0	0.00%
	Sub Total(A)(1)	**1144500**	**97725**	**1242225**	**32.55%**	**1144450**	**97725**	**1242175**	**32.55%**
2	**Foreign**								
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00%	0	0	0	0.00%
b	Bodies Corporate	0	0	0	0.00%	0	0	0	0.00%
c	Institutions	0	0	0	0.00%	0	0	0	0.00%
d	Any Others(Specify)	0	0	0	0.00%	0	0	0	0.00%
	Sub Total(A)(2)	0	0	0	0.00%	0	0	0	0.00%
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**1144500**	**97725**	**1242225**	**32.55%**	**1144450**	**97725**	**1242175**	**32.55%**
(B)	**Public shareholding**								
1	Institutions								
(a)	Mutual Funds/ UTI	0	0	0	0.00%	0	0	0	0.00%
(b)	Financial Institutions / Banks	0	0	0	0.00%	0	0	0	0.00%
(c)	Central Government/ State Government(s)	0	0	0	0.00%	0	0	0	0.00%
(d)	Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%
(e)	Insurance Companies	0	0	0	0.00%	0	0	0	0.00%
(f)	Foreign Institutional Investors	0	0	0	0.00%	0	0	0	0.00%

		Demater ialized Form	Physical Form	Total %	% of Total Shares	Demater ialized Form	Physical Form	Total %	% of Total Shares
(g)	Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%
(h)	Any Other (specify)	0	0	0	0.00%	0	0	0	0.00%
	Sub-Total (B)(1)	**0**	**0**	**0**	**0.00%**	**0**	**0**	**0**	**0.00%**
B 2	**Non-institutions**								
(a)	Bodies Corporate	31639	0	31639	0.83%	70291	0	70291	1.84%
(b)	Individuals			0					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	432538	1670800	2103338	55.12%	446633	1593471	2040104	53.46%
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	131592	295900	427492	11.20%	112350	310900	423250	11.09%
(c)	Any Other (Clearing members)	0	0	0	0.00%	0	0	0	0.00%
(c-i)	Hindu Undivided Families	9581	0	9581	0.25%	36668	0	36668	0.96%
(c-ii)	Non Resident Indians	1825	0	1825	0.05%	3612	0	3612	0.09%
	Sub-Total (B)(2)	**607175**	**1966700**	**2573875**	**67.45%**	**669554**	**1904371**	**2573925**	**67.45%**
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**	**607175**	**1966700**	**2573875**	**67.45%**	**669554**	**1904371**	**2573925**	**67.45%**
	TOTAL (A)+(B)	**1751675**	**2064425**	**3816100**	**100.00%**	**1814004**	**2002096**	**3816100**	**100.00%**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**								
1	Promoter and Promoter Group	0	0	0	0.00%	0	0	0	0.00%
2	Public	0	0	0	0.00%	0	0	0	0.00%
	Sub-Total (C)	**0**	**0**	**0**	**0.00%**	**0**	**0.00**	**0**	**0.00%**
	GRAND TOTAL (A)+(B)+(C)	**1751675**	**2064425**	**3816100**	**100.00%**	**1814004**	**2002096**	**3816100**	**100.00%**

ii. Shareholding of promoters:

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% Shares Pledged or otherwise encumbered to total shares	No. of Shares	% of total Shares of the company	% Shares Pledged or otherwise encumbered to total shares	% change in shareholding during the year
1	S.Elangovan	594900	15.59%	0	594850	15.59%	0	0.00%
2	K.S.Shanmugam	349600	9.16%	0	349600	9.16%	0	0.00%
3	Cauvery Power Trading Chennai Private Ltd	275000	7.21%	0	275000	7.21%	0	0.00%
4	Premkumar	15000	0.39%	0	15000	0.39%	0	0.00%
5	Abirami Premkumar	7725	0.20%	0	7725	0.20%	0	0.00%
	Total	1242225	32.55%		1242175	32.55%		0.00%

iii. Change in promoters' shareholding: (Please specify if there is no change)

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl. No.	At the beginning of the year	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	S.Elangovan	594900	15.59%	594900	15.59%
2	K.S.Shanmugam	349600	9.16%	349600	9.16%
3	Cauvery Power Trading Chennai Private Ltd	275000	7.21%	275000	7.21%
4	Premkumar	15000	0.39%	15000	0.39%
5	Abirami Premkumar	7725	0.20%	7725	0.20%
	Total	**1242225**	**32.55%**	**1242225**	**32.55%**
	Datewise Increase/ Decrease in shareholding specifying the reasons for Increase /Decrease:				
	S.Elangovan- 06-08-2015 - Decrease -Sale of shares	50	0.00%	594850	15.59%
	At the end of the year				
1	S.Elangovan	594850	15.59%	594850	15.59%
2	K.S.Shanmugam	349600	9.16%	349600	9.16%
3	Cauvery Power Trading Chennai Private Ltd	275000	7.21%	275000	7.21%
4	Premkumar	15000	0.39%	15000	0.39%
5	Abirami Premkumar	7725	0.20%	7725	0.20%
	Total	**1242175**	**32.55%**	**1242175**	**32.55%**

iv. **Shareholding Pattern of the top 10 Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

		Shareholding at the bigginning of the year		Cumulative Shareholding during the year	
Sl. No.	For each of the top 10 shareholders	No of shares	% of total Shares of the Company	No of shares	% of total Shares of the Company
1	Venkatachalam B	115000	3.01%	0	3.01%
2	Raja Rajeswari Mohan	111000	2.91%	0	2.91%
3	Anand Mohan	84340	2.21%	0	2.21%
4	Bina Atul Chauhan	31512	0.83%	0	0.83%
5	Ravie N S	31300	0.82%	0	0.82%
6	Mukul Kumar Madan Gopal Daga	15740	0.41%	0	0.41%
7	Aditya Birla Money Limited	13212	0.35%	0	0.35%
8	Mani A	12500	0.33%	0	0.33%
9	Pooja	12000	0.31%	0	0.31%
10	Rajesh	14100	0.37%	0	0.37%
		440704	**11.55%**		**11.55%**
	Datewise Increase/ Decrease in shareholding specifying the reasons for Increase/Decrease:				
1	Anand Mohan -Sale of shares - 18-09-2015	1340	0.04%	83000	2.17%
2	Anand Mohan -Sale of shares - 06-11-2015	500	0.01%	82500	2.16%
	Anand Mohan -Sale of shares - 13-11-2015	3500	0.09%	79000	2.07%
3	Anand Mohan -Sale of shares - 04-12-2015	3000	0.08%	76000	1.99%
	At the end of the year				
1	Venkatachalam B	115000	3.01%	0	3.01%
2	Raja Rajeswari Mohan	111000	2.91%	0	2.91%
3	Anand Mohan	76000	1.99%	0	1.99%
4	Atul Babubai Chauhan (HUF)	36668	0.96%	0	0.96%
5	Ravie N S	31300	0.82%	0	0.82%
6	Mukul Kumar Madan Gopal Daga	15740	0.41%	0	0.41%
7	Rajesh	14100	0.37%	0	0.37%
8	Aditya Birla Money Limited	13212	0.35%	0	0.35%
9	Mani A	12500	0.33%	0	0.33%
10	Pooja	12000	0.31%	0	0.31%
	Total	**437520**	**11.47%**		**11.47%**

v. Shareholding of Directors and key managerial personnel

		Shareholding at the bigginning of the year		Cumulative Shareholding during the year	
Sl No	For each of the top 10 shareholders	No of shares	% of total Shares of the Company	No of shares	% of total Shares of the Company
1	S.Elangovan	594900	15.59%	0	15.59%
2	K.S.Shanmugam	349600	9.16%	0	9.16%
3	Premkumar S.A.	15000	0.39%	0	0.39%
4	N.Asokan	0	0.00%	0	0.00%
		959500	25.14%		25.14%
	Datewise Increase/ Decrease in shareholding specifying the reasons for Increase/ Decrease:				
	S.Elangovan- 06-08-2015 - Decrease -Sale of shares	50	0.00%	594850	15.59%
	At the end of the year				
1	S.Elangovan	594850	15.59%	594850	15.59%
2	K.S.Shanmugam	349600	9.16%	349600	9.16%
3	Premkumar S.A.	15000	0.39%	15000	0.39%
4	N.Asokan	0	0.00%	0	0.00%
	Total	**959450**	**25.14%**		**25.14%**

vi. Indebtedness:

There are no secured loans or deposits outstanding and hence details are not **given**

vii. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director / Whole-time Director / Manager:

The company is not paying any remuneration to the Managing Director.

B.Remuneration to other Directors:

The company has not paid any remuneration to the other Directors.

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

Remuneration to other Directors Key Managerial Personnel other than MD / MANAGER / WTD:

		CFO	CS	Total
(a)	Salary as per provisions contained in section 17(1) of the income - tax Act 1961	-	1178344	**1178344**
(b)	Value of perquisites u/s 17(2) of the Income Tax act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) of the Income - tax Act, 1961	-	-	-
(d)	Stock Option	-	-	-
(e)	Sweat Equity	-	-	-
(f)	Commission - as % of Profit - others, specify...	-	-	-
(g)	Others- Bonus, Medical & Conveyance Allowances	-	578299	**578299**
	Total (c)	-	1756643	**1756643**

VIII. (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Annexure-III

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 transactions under third proviso thereto :

1.	Details of contracts or arrangements or transactions not at arm's length basis :	
(a)	Name (s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts or arrangements or transactions including the value, if any	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	

(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	Date (s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first provison to Section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis :	
(a)	Name(s) of the related party and nature of relationship	**A.Cauvery Power Generation Chennai Private Ltd** **– "CPGCPL" -Group Company:**
(b)	Nature of contracts/arrangements/ Transactions	1."Engineering, Procuring and Construction "contract –"EPC" Contract 2.The contract shall come to an end on achieving Commercial Operation Date –"COD". Value of not less than Rs 500 Crores. 3. Operations and Maintenance Contract for a period of five years – "CPGCPL" shall pay an annual fees of not less than Rs 35,00,000/-. **B. Cauvery Solar Power Private Ltd- "CSPPL": - Group Company:** 1. Undertaking of Operations & Maintenance activities for the Solar Photovoltaic Cells run by M/s Cauvery Solar Power Private Ltd–"CSPPL", at Gummidipoondi. 2."CSPPL", shall pay a monthly fees of not more than Rs 3,00,000/-(Rupees Three Lakhs only) for the technical, operation and maintenance services provided by the Company.
(c)	Duration of the contract / arrangements/ transactions	Term of Contract: The contract period is for a period of five years and shall be renewable upon mutual consent of both parties."

(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	As given in (b) above.
(e)	Date(s) of approval by the Board, if any:	—
(f)	Amount paid as advances, if any:	No advance has been paid.

Annexure-IV:

Penalties/ Punishments/Compounding of offences:

A.Company : No Penalties/ Punishments/Compounding of offences were imposed

B.Directors : No Penalties/ Punishments/Compounding of offences were imposed

C.Other officers in default: No Penalties/ Punishments/Compounding of offences were imposed.

Annexure-V:

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

i) **Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2015-16**

Remuneration is not paid to the Managing Director and there are no other employees other than the Company Secretary. Hence the details are not given.

ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2015-16.**

1.N.Asokan- Company Secretary – 16.57%

iii) **The percentage increase in the median remuneration of Employees in the financial year - There are no other employees other than the Company Secretary and hence the details are not given**

iv) **The Company has only one permanent employee on the rolls of Company as on 31st March, 2016.**

v) **Relationship between average increase in remuneration and Company's performance:**

The Company has only one permanent employee on the rolls of Company as on 31st March, 2016.

vi) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: in Lakhs**

Sl.No.	Particulars	Year(2015-16)	Year (2014-15)	Percentage of increase
1	Income	89.62	0.00	-
2	Profit/Loss Before tax	59.83	-74.87	179.91%
3.	Remuneration of the KMP	17.57	13.25	16.57%

vii) Market capitalization and price earnings ratio details are as under:

Particulars	As on 31.03.2016	As on 31.03.2015	Increase / (Decrease) (%)
Price Earnings Ratio	2.04	-0.56	461.03
Market Capitalization (Rs. in Crore)	3.21	1.11	189

The Company has not made any public issue of shares.

viii) Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year:

There are no other employees other than the Company Secretary. Hence the details are not given.

ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

There are no other employees other than the Company Secretary. Hence the details are not given.

x) The key parameter for any variable component of remuneration availed by Managing Directors:

Remuneration is not paid to the Managing Director

xi) The 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: Not Applicable

xii) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure - VI

Details of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

There are no employees drawing remuneration in excess of the limits specified under Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 and hence details are not given.

DISCLOSURES IN ANNUAL REPORT UNDER REGULATION 34(3) AND 53(F)] OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015:

A. RELATED PARTY DISCLOSURE:

The company is neither a holding company nor a subsidiary company and hence the disclosures under Regulation 34(3) and 53(f)] of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are not furnished.

B.MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report on the business of the Company for the year ended 31st March 2016 is furnished here. In this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

COMPANY, INDUSTRY STRUCTURE & DEVELOPMENTS

During the Financial Year 2005-06, your company started a Gas based Power Plant through an SPV namely Kaveri Gas Power Limited, at Maruthur Village, Mayiladuturai T.K., Nagapattinam District. The company also received dividend for its investment for the period 2006-2007 to 2015 -2016.

REVIEW OF OPERATIONS

The financial review is available in the Board's report.

DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of financial statements, treatment that prescribed in an Accounting Standard has been followed.

OUTLOOK

The Power Sector has a bright future. So the Company is actively planning to enter into EPC contracts for which approval was accorded by members in the Notice of the 26th Annual General Meeting.

ENVIRONMENT & SAFTEY

The Company is very conscious of the need to protect environment. The company is taking all possible steps for safe guarding the environment.

OTHER MATTERS

There are no further or typical areas of risks or concerns outside the usual course of business foreseeable at this time. Internal control systems are found to be adequate and are continuously reviewed for further improvement.

CAUTIONARY STATEMENT

Statements in this "Management Discussion & Analysis" which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" with in the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company's markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

Part C , D & E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are not applicable since the company was having paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Part F Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Disclosures with respect to demat suspense account/ unclaimed suspense Account – There are no shares outstanding in demat suspense account or unclaimed suspense account.

For and on behalf of the Board

Place: Chennai

Date: 25-05-2016

(S.Elangovan)

Chairman & Managing Director

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To

The Shareholders of Elango Industries Limited,

Chennai

On the basis of the written declarations received from members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, it is hereby certified that both the members of the board and the senior management personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the board for the year ended 31st March 2016.

Place: Chennai **S.Elangovan**

Date: 25-05-2016 **Chairman & Managing Director**

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To

The Board of Directors

Elango Industries Limited

(1) We certify that we have reviewed the financial statements and the cash flow statement for the year ended 31st March 2016 and to the best of our knowledge and belief,

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements together present a true and fair view of the Company's affairs for the year ended 31st March 2016, and are in compliance with the existing accounting standards, applicable laws and regulations; and

(c) no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

(2) Further, we accept that it is our responsibility to establish and maintain internal controls for financial reporting.

(3) Accordingly, we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we further certify that:

(a) there are no deficiencies in the design or operation of internal controls;

(b) there are no significant changes in internal control over the financial reporting during the year;

(c) there are no significant changes in accounting policies during the year; and

(d) there have been no instances of any significant fraud of which we became aware and the involvement therein, if any, of the management or an employee, having a significant role in the Company's internal control system over the financial reporting.

S.Elangovan
Chairman & Managing Director

R.Ramesh
Chief Financial Officer

Place : Chennai

Date : 25-05-2016

Form No. MR-3

SECRETARIAL AUDIT REPORT

FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,

The Members
Elango Industries Limited
3,Ranganathan Gardens, 15th Main Rd Extn,
Anna Nagar,
Chennai-40

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and adherence to good corporate practices by Elango Industries Limited, a power generation and Steel Ingots manufacturing company. The Company has CIN L27104TN1989PLC017042 with Authorised capital of Rs. 4,00,00,000/- and paid up capital of Rs. 3,82,16,000/- . The Company is listed with the Bombay Stock Exchange Limited with stock code demat- 513452, possessing ISIN number NSDL&CDSL: INE594D01018.

Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

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

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

(ii) The Securities Contracts (Regulations) Act, 1956 ("SCRA") and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;

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

(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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009. - **Not Applicable to the Company during the Audit Period**

d) The Securities and Exchange Board of India (Employees stock option Scheme and Employees Stock Purchase Scheme Guidelines, 1999; - **Not Applicable to the Company during the Audit Period**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008; - **Not Applicable to the Company during the Audit Period**

f) The Securities and Exchange Board of India (Registrars to an issue and Share transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; and - **Not Applicable to the Company during the Audit Period**

h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998; - **Not Applicable to the Company during the Audit Period**

i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) Any other Applicable Laws like

a) The Factories Act 1948

b) The Industrial Dispute Act 1947

c) The Payment of wages Act1936

d) The Minimum Wages Act1948

e) The Employees State Insurance Act ,1948

f) The Employees' Provident Fund and Miscellaneous Provision Act, 1952

g) The payment of bonus Act,1965

h) The Payment of Gratuity Act, 1972

i) The Contract Labour Abolition Act 1970

j) The Maternity Benefit Act 1961

k) The Child Labour (Prohibition and Regulation) Act 1986

l) The Industrial Employment (Standing Orders) Act 1946

m) The Employees' Compensation Act 1923(earlier known as Workman's Compensation Act 1923)

n) The Apprentice Act,1961

o) The Equal Remuneration Act, 1976

p) The Employment Exchange (Compulsory Notification of Vacancies Act)1956

q) The Electricity Act, 2003

r) National Tariff Policy

s) Essential Commodities Act, 1955

t) Explosives Act, 1884

u) Indian Boilers Act, 1923

v) Mines Act, 1952 (wherever applicable)

w) Mines and Mineral (Regulation and Development) Act, 1957 (wherever applicable)

As the company has not had any business activities, the laws mentioned above are not applicable to the company

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) has been notified with effect from 1st July 2015

(ii) The Listing agreements entered into by the company with BSE

The other laws as may be applicable specifically to the Company which are mentioned in clause (vi) **Under any other laws**, based on the reports of the Company, I hereby report that the Company has substantially complied with the provisions of those Acts that are applicable. Based on the information, explanations and management representation, the Company has substantially complied with the Tax laws applicable to the Company. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent mentioned below:

The Main objects as stated in the registered Memorandum and Articles of Association empowers the company to engage in power generation and steel manufacturing. However, during the process of our audit, we found that the capital of the company has been invested in Group Company involved in the power sector. We infer that the company has been pursuing investment activities.

I further report that

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

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

All decisions were carried out in the Board were in compliance with the provisions of the Act.

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

I further report that during the audit period the instances of violations and non compliances mentioned above may result in attracting penal provisions which are severe in nature and for the company there is a contingency that it may have to pay penalties.

Place: Chennai

Date: 25-05-2016

Signature

T. Balasubramanian

FCS: 7987

CPN0: 3402

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

Annexure A

The Members
Elango Industries Limited
3,Ranganathan Gardens, 15th Main Rd Extn,
Anna Nagar,
Chennai-40

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

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

Place: Chennai

Date: 25-05-2016

Signature

T. Balasubramanian

FCS: 7987

CPN0: 3402

Independent Auditors' Report

To the Members of Elango Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Elango Industries Limited , which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation 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.

Auditors' 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 auditors' judgement, 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 statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that :

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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'; and

g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

i. The Company does not have any pending litigations which would impact its financial position;

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

iii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

For V.SENTHILNATHAN &Co.,
Chartered Accountants
Firm Registration No: 003711S

(V. SENTHILNATHAN)
Partner
M.No:024244

Place : Chennai
Date : 25.05.2016

Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31ˢ March 2016, we report that :

(i) The company does not have any Fixed Assets in the financial statement as on 31st March 2016. Hence said clauses are not applicable.

(ii) As the Company does not possess any Inventories during this year, the provisions of, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) In our opinion, no loans that has been taken from / granted to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, hence the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, 2015 are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans to directors; hence the clause (iv) of the order is not applicable to the company.

(v) The Company has not accepted any deposits from the public.

(vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.

(vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

(c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration to any of directors of the company and hence the clause (xi) of the order is not applicable to the company.

(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, transactions with the related parties are in compliance with Sections 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 him. 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.

For V.SENTHILNATHAN &Co.,

Chartered Accountants

Firm Registration No: 003711S

(V. SENTHILNATHAN)

Partner

M.No:024244

Place : Chennai

Date : 25.05.2016

Annexure B to the Auditors' Report

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 Elango Industries Limited as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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 V.SENTHILNATHAN &Co.,
Chartered Accountants
Firm Registration No: 003711S

(V. SENTHILNATHAN)
Partner
M.No:024244

Place : Chennai
Date : 25.05.2016

ELANGO INDUSTRIES LIMITED

CIN: L27104TN1989PLC017042
No:5 , Ranganathan Gardens, 15th Main Road - Extn. Anna Nagar , Chennai -600040
Telephone No: 044- 4217 2116: Fax 044- 4217 2118
Website:www.elangoindustries.com. E-Mail: asokan@kaveripower.com

BALANCE SHEET AS AT 31st March, 2016

Particulars	Note	As on 31-03-2016 Rs	As on 31-03-2015 Rs
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	38,216,000	38,216,000
(b) Reserves and Surplus	2	9,081,601	3,098,569
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	3	456,041	219,020
(c) Other current liabilities	4	222,250	335,501
(d) Short-term provisions		-	-
Total		**47,972,433**	**41,869,090**
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	5	250,000	30,630,000
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	6	11,258,929	11,201,636
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	7	320,507	-
(d) Cash and cash equivalents	8	26,203	10,437
(e) Short-term loans and advances	9	36,120,252	8,287
(f) Other current assets	10	-	18,730
Total		**47,975,894**	**41,869,090**

Notes referred to above form an integral part of this Balance sheet
Previous figures are regrouped wherever necessary
This is the Balance sheet referred to in our report of even date

for V. SENTHILNATHAN & Co.,
Chartered Accountants
Firm Reg No: 003711S)

(V. SENTHILNATHAN)	**S. ELANGOVAN**	**S.A.PREMKUMAR**
Partner	**Chairman & Managing Director**	**Director**
M.No.024244		
Place: Chennai	**N.Asokan**	**R.Ramesh**
Date : 25.05.2016	**Company Secretary**	**Chief Financial Officer**

ELANGO INDUSTRIES LIMITED

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STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2016

Particulars	Note	As on 31-03-2016 Rs	As on 31-03-2015 Rs
Revenue from operations		-	-
Other Income	11	8,961,762	-
Total Revenue		**8,961,762**	**-**
Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	12	1,756,643	1,700,626
Financial costs		-	-
Depreciation and amortization expense		-	-
Other expenses	13	1,222,085	5,786,136
Total Expenses		**2,978,728**	**7,486,762**
Profit before exceptional & extraordinary items and tax		5,983,032	(7,486,762)
Exceptional Items		-	-
Profit before extraordinary items and tax		5,983,034	(7,486,762)
Extraordinary Items		-	-
PROFIT / (LOSS) BEFORE TAX		**5,983,034**	**(7,486,762)**
Tax Expense:			
Current tax		-	-
Deferred tax		-	-
PROFIT (LOSS) FOR THE PERIOD		**5,983,034**	**(7,486,762)**
Earning per equity share:			
(1) Basic		1.57	(1.96)
(2) Diluted		1.57	(1.96)

Notes referred to above form an integral part of this Balance sheet
Previous figures are regrouped wherever necessary
This is the Balance sheet referred to in our report of even date
for V. SENTHILNATHAN & Co.,
Chartered Accountants
Firm Reg No: 003711S)

(V. SENTHILNATHAN)	**S. ELANGOVAN**	**S.A.PREMKUMAR**
Partner	**Chairman & Managing Director**	**Director**
M.No.024244		
Place: Chennai	**N.Asokan**	**R.Ramesh**
Date : 25.05.2016	**Company Secretary**	**Chief Financial Officer**

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NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31.03.2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
NOTE 1		
SHARE CAPITAL		
A.Authorised Capital		
40,00,000 Equity Shares of Rs.10 each	40,000,000	40,000,000
B.Issued & Subscribed Capital :		
38,16,100 Equity Shares of Rs.10 each	38,381,000	38,381,000
Paid up Capital :		
38,16,100 Equity Shares of Rs.10 each	38,161,000	38,161,000
C.Par Value of Shares	10	10
D.Reconcillation of Shares		
Opening Balance	3,816,100	3,816,100
Capital raised during the year	-	-
Buy Back of shares	-	-
Closing Balance	**3,816,100**	**3,816,100**
E.Shares held by the Holding Company		
F.Shareholder holding more than 5% Share	% of Holding	% of Holding
S.Elangovan	15.59%	15.59%
Shanmugam	9.16%	9.16%
Cauvery Power Trading Chennai Ltd	7.21%	7.21%
G.Calls Unpaid on Shares	-	-
H.Forfeited Shares	55,000	55,000
	38,216,000	**38,216,000**
NOTE - 2		
General Reserve	5,000,000	5,000,000
Subsidy	25,281	25,281
RESERVES & SURPLUS (A)	5,025,281	5,025,281
Opening Balance	(1,926,712)	6,495,338
Add: Profit/(Loss) during the year	5,983,034	(7,486,762)
Adjustment Relating to Fixed Assets	-	(935,288)
(B) Profit & Loss Account	4,056,322	(1,926,712)
TOTAL (A+B)	**9,081,603**	**3,098,569**

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NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31.03.2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
NOTE - 3		
TRADE PAYABLES :		
Sundry Creditors	**456,041**	
219,020		
NOTE - 4		
OTHER CURRENT LIABILITIES :		
Staff & Workers Salary payable	108,923	107,133
Audit fees payable	78,375	76,770
TDS payable	34,704	32,580
Service Tax Payable	248	-
Related Parties :		
Kaveri Gas Power Ltd	-	119,018
	222,250	**335,501**
NOTE - 5		
NON CURRENT INVESTMENTS :		
Investment in Equity instruments		
In Kaveri Gas Power Limited		
25,000 Equity Shares @ Rs.10 each fully paid	250,000	250,000
Investment in Preference Shares		
In Kaveri Gas Power Limited	-	30,380,000
30,38,000 Preference Shares @ Rs 10 each fully paid		
	250,000	**30,630,000**

The Investment of Rs.2,50,000/- in the Equity Shares of M/s. Kaveri Gas Power Ltd, under the same management whose shares are unquoted are valued at cost. The Management is of the opinion that there is no diminishing value on these Investments.The Investment made in Preference Shares was redeemed by Kaveri Gas Power Limited during the Financial Year at par value of shares and the same has been accordingly recognised in the financials in accordance with the Accounting Standards 13 on Investments.

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NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31.03.2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
NOTE - 6		
LONG TERM LOANS & ADVANCES		
Balance with Statutory Authorities :		
Sales tax Deposit	5,000	5,000
TDS Receivable	57,293	-
Electricity Subsidy due	10,996,636	10,996,636
Loans and Advances to Others :		
Rent Advance	200,000	200,000
	11,258,929	**11,201,636**
NOTE - 7		
TRADE RECIEVABLES		
Sundry Debtors - Less than six months old	-	-
Sundry Debtors - More than six months old	320,507	-
	320,507	**-**
NOTE - 8		
Cash and Cash Equivalents		
Cash Balances on Hand	6,512	3,065
Balance with Banks :		
State Bank of India	19,691	7,372
	26,203	**10,437**
NOTE - 9		
Short term Loans and Advances		
Loans and Advances to Others :		
Advance to staff	-	8,287
Service Tax Input Credit	3,517	-
Related Parties :		
Kaveri Gas Power Ltd	1,010,646	-
Cauvery Power Generation Chennai Pvt. Ltd.	35,106,089	-
	36,120,252	**8,287**

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NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31.03.2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
NOTE - 10		
Other Current Assets		
Prepaid Expenses		
Demat Expenses	-	18,730
	-	**18,730**
NOTE - 11		
OTHER INCOMES		
Dividend on other investments (Shares) :	6,076,000	-
Dvidend from M/s Kaveri Gas Power Ltd		
O & M Charges	2,864,640	-
Tax refund -FY 2008-09	16,780	-
Interest on Income Tax Refund F.Y. 08-09	4,342	-
	8,961,762	**-**

REVENUE RECOGNITION

Revenue from Operations is recognized in the financial statement based on full performance and completion of services rendered relating to Operation & Maintenance and other services provided to Cauvery Power Generation Chennai Private Limited.With respect to Dividend Income it is recognised based on the right to receive the dividend arises to the company.Other Income relating to Interest On Income Tax Refund are recognised on receipt basis of Accounting.

NOTE - 12 - Employee Benefit Expense		
Salaries & Wages	1,577,127	1,561,512
Bonus & Incentive	-	124,650
Staff welfare exp.	179,516	14,464
	1,756,643	**1,700,626**

EMPLOYEE BENEFITS - Defined Contribution Plan

Since the company employs less than 20 employees, the company has not devised any recognised contribution plan.

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NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31.03.2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
NOTE - 13 - Other Expenses		
Service Charges	407,425	-
Administrative Expenses	260,793	96,111
Professional Charges	185,846	72,740
Legal & Secretarial charges	24,500	119,237
Custodial fee - NSDL & CDSL	19,494	15,271
Demat Expenses	18,730	18,730
Listing Fee	200,000	112,360
ROC Filing Fees	18,192	7,819
Statutory Audit fees	87,105	84,270
Assets Written off	-	5,259,598
	1,222,085	**5,786,136**

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CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2016

Particulars	As on 31-03-2016 Rs	As on 31-03-2015 Rs
I. CASH INFLOWS :		
1) From Operating Activities		
(a) Profit from Operating Activities	5,983,034	
Adjustments :		
Dividend Income	(6,076,000)	-
(b) Working Capital Changes		
Increase in Current Liabilities	123,770	103,294
Decrease in Current Assets	-	996,205
TOTAL	**30,804**	**1,099,499**
2) From Investing Activities		
Dividend Received	6,076,000	-
2) From Financing Activities		
Redemption of Preference Shares	30,380,000	-
TOTAL CASH INFLOWS	**36,486,804**	**1,099,499**
II. CASH OUTFLOWS:		
1) From Operating Activities		
a) Loss from Operating Activities	-	7,486,762
Adjustments:		
Assets Written Off	-	(4,285,577)
b) Working Capital Changes		
Increase in Current Assets	297,007	8,288
Decrease in Current & Non Current Liability	-	22,184
2) From Investing Activities		
Loan to Related Parties	36,116,735	-
Increase in advances	57,293	-
TOTAL CASH OUTFLOWS	**36,471,035**	**3,231,657**
III. NET(DECREASE)/INCREASE IN CASH & CASH EQUAILENT	15,766	(2,132,158)
Add: Cash & Cash Equivalent at the beginning of the period	10,437	2,142,594
IV. Cash & Cash equivalent at the end of the Period	**26,203**	**10,437**
Cash on Hand	6,512	3,065
Balance with State Bank of India	19,691	7,372
	26,203	**10,437**

Notes referred to above form an integral part of this Balance sheet
Previous figures are regrouped wherever necessary
This is the Balance sheet referred to in our report of even date
for V. SENTHILNATHAN & Co.,
Chartered Accountants
Firm Reg No: 003711S)

(V. SENTHILNATHAN)	**S. ELANGOVAN**	**S.A.PREMKUMAR**
Partner	**Chairman & Managing Director**	**Director**
M.No.024244		
Place: Chennai	**N.Asokan**	**R.Ramesh**
Date : 25.05.2016	**Company Secretary**	**Chief Financial Officer**

ELANGO INDUSTRIES LIMITED

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14 . NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2016

BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

A. BASIS OF ACCOUNTING

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis . GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied.

B. USE OF ESTIMATES

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of tangible assets and intangible assets.Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes.

C. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and deferrals and accruals of past or future cash receipts or payments.Cash & cash equivalent comprises cash on hand and deposit with financial institutions, highly liquid investments which are readily convertible into cash.

D. IMPAIRMENT OF ASSETS

An asset is concerned as impaired in accordance with Accounting Standard 28 on 'Impairment of Assets", when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exists is recoverable amount (i.e. the higher of the asset's net selling price and value in use). The assets of the company are considered impaired and no Impairment loss has been recognised in the financial statements.

E. CONTINGENT LIABILITY

Contingent liabilities as defined in accounting standard 29 on "provisions, contingent liabilities and contingent assets" are disclosed by way of notes to the accounts. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability. There were no transactions covered under this category and no provision has been made during this year.

F. ACCOUNTING FOR TAXES ON INCOME

Income taxes are accounted for in accordance AS 22 "Accounting for Taxes and Income" issued by the ICAI. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing difference between taxable income and accounting income that are capable of reversing in or more subsequent periods and or measured using relevant enacted tax rates. No provision has been made for Taxation and also there is no timing difference for recognising the deferred tax assets and liabilities during the previous year since the timing differences related mainly to depreciation and unabsorbed losses and the net effect of such differences will result in deferred tax asset as a measure of prudence.

G. EMPLOYEE BENEFITS

Defined Contribution Plan

As there are less number of employees on the roll of company, the company has not devised any recognised contribution plan.

H. FOREIGN CURRENCY TRANSACTION

There is no foreign currency transaction during the financial year 2015-16, hence there is no exchange difference.

I. SEGMENT REPORTING

As the Company has closed down its operation, there are no separate reportable segments as per Accounting Standard (AS) 17 "Segment Reporting".

J. RELATED PARTY TRANSACTION

In accordance with Accounting standard (AS) 18, the disclosures required as given below:

Particulars	Subsidiary Company	Other Company(s)	Key Management Personnel	Financial Year Ended 31.03.2015	Financial Year Ended 31.03.2016
Investment	N.A	Kaveri Gas Power Ltd	S. Elangovan S.A. Premkumar K. S. Shanmugam	2,50,000 (In Equity Shares) 3,03,80,000 (In Preference Shares)	2,50,000 (In Equity Shares) NIL
Current Liabilities	N.A.	Kaveri Gas Power Limited	S. Elangovan S.A. Premkumar K. S. Shanmugam	119,018	NIL
Current Assets	N.A.	Kaveri Gas Power Limited	S. Elangova S.A. Premkumar K. S. Shanmugam	NIL	1,010,646

Current Assets	N.A.	Cauvery Power Generation Chennai Private Limited	S. Elangovan S.A. Premkumar K. S. Shanmugam	NIL	35,426,596

K. EARNINGS PER SHARE:

Basic/Diluted earnings per share is calculated by dividing the net profit/loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding as at the end of the year. As there were no shares considered as dilutive, same denominator as applicable for Basic EPS has been used for computing the dilutive Earnings Per Share.

Particulars	Current Year 2015-16	Previous Year 2014-15
Profit after Tax	5,983,034	(7,486,762)
Less: Dividend on preference shares	6,076,000	-
(Including corporate dividend tax)		
Profit after tax for equity share holders - Basic (numerator)	(92,966)	(7,486,762)
Add/(Less): Exchange loss /(gain) on FCCBs'	-	-
Profit after tax for equity share holders- Diluted (numerator)	(92,966)	(7,486,762)
Earning per share – Basic	1.57	(1.96)
Earning per share – Diluted	1.57	(1.96)
Nominal value per share	10.00	10.00
Weighted average number of equity shares for Basic EPS (denominator)	3,816,100	3,816,100
Weighted average number of equity shares for Diluted EPS (denominator)	3,816,100	3,816,100

L. DISCONTINUED OPERATIONS (PURSUANT TO AS 24) :

1. Discontinued since : **01.08.2003**
2. Segment : Primarily Manufacturing of Steel Ingots
3. Carrying amount of total assets : NIL
4. Carrying amount of total liabilities : NIL
5. Profit from ordinary activities : NIL
6. Income Tax expenses : NIL
7. Gain on Disposal of Assets : NIL

8. Cash flow from discontinued operations.

Operating activities

Investing activities : NIL

Financial activities

The company discontinued earlier operations and commenced the services relating to Operation & Maintenance for the Power Generating Plant of the Associated Companies.

M. In the opinion, of the Board of Directors and to the best of their knowledge and belief, the value on realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.

N. Confirmation of Balances from certain parties for the amounts due to them or due from them is yet to be received / reconciled.

O. MANAGERIAL REMUNERATION

Payment of Managerial Remuneration and other benefits inclusive of perquisites not made to the Managing Director and Director against their option.

P. The Financial Statements of the company have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The management has addressed the criticality of the issue in the company and has initiated various steps to revive the business activities through mergers and acquisition, restructuring of activities along with the present investment of surplus funds into the diversified projects. etc for which various processes of formalities has already been commenced. Accordingly, the management of the company has commenced the profitable business operations during the Financial Year under report from the Activity of rendering service relating to Operation & Maintenance for Power Generating Plants and other services.

Q. Figures shown in the accounts have been rounded off to the nearest rupee.

R. Notes 1 to 14 are annexed to and forming part of the accounts.

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Attendance Slip

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 27th Annual General Meeting of the Company at **No.5, Ranganathan Garden, 15th Main Road – Extn. Anna Nagar, Chennai – 600 040** on **Thursday the 29th day of September, 2016 at 11 AM**

Full name of the member (in block letters)

Signature

Folio No.:.................................... DP ID No.* .... Client ID

No.*.............................

*Applicable for member holding shares in electronic form

....

....

Full name of the proxy (in block letters) Signature

E – Voting Information

EVSN **[Electronic Voting Sequence Number]**	**User ID**	**Password**
160808002		

ELANGO INDUSTRIES LIMITED

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No:5 , Ranganathan Gardens, 15th Main Road - Extn. Anna Nagar , Chennai -600040

Telephone No: 044- 4217 2116: Fax 044- 4217 2118

Website:www.elangoindustries.com. E-Mail: asokan@kaveripower.com

PROXY Form – MGT-11

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

Name of the Member (s)

Registered address:

E-mail id:... DP ID No.*............................ Client ID

No.*.............................

I / We, being the member(s) of ________________ Equity Shares of Elango Industries Ltd, hereby appoint

1. Name : ______________________________

   Address : ______________________________

   Email id : ______________________________

   Signature: ______________________________ , or failing him / her

2. Name : ______________________________

   Address : ______________________________

   Email id : ______________________________

   Signature: ______________________________ , or failing him / her

3. Name : ______________________________

   Address : ______________________________

   Email id : ______________________________

   Signature: ______________________________

As my proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **27th Annual General Meeting of the Company, to be held on Thursday the 29th day of September, 2016 at 11 AM** at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution No.	RESOLUTIONS	Vote (Optional see Note 2*)		
Ordinary Business		**No of Shares**	**For**	**Against**
1.	To adopt the Audited Balance Sheet of the Company as at 31st March 2016 and the Statement of Profit and Loss for the year ended 31st March 2016 together with the Auditors' Report and Board's Report thereon.			
2.	Re-appointment of Mr. K.S. Shanmugam as a Director			
3.	Re-appointment of Mr. S.A.Premkumar as a Director			
4	Appointment of Auditors and fixing their remuneration			
	Special Business –			
5.	**Special Resolution:** Approval for execution of Technical & Marketing Services Agreement with Kaveri Gas Power Ltd- "KGPL", Chennai (a Group Company).			
6	**Special Resolution:** Approval for execution of Marketing & related Services Agreement for a cumulative monthly fees of not exceeding with M/s. Cauvery Power Generation Chennai Private Limited (CPGCPL), Chennai (a Group Company)			
7.	**Special Resolution:**Approval for execution of an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment"run by Cauvery Power Trading Chennai Private Ltd -"CPTCPL"**			
8.	**Special Resolution:** Approval for execution of an **Agreement for undertaking backend work of the Television Channels Viz."Cauvery News and Entertainment" run by Cauvery Television and Entertainment Private Ltd –"CTEPL".**			

Signed this ....Day of ...., 2016

....

Signature of the member Signature of Proxy holder(s)

Note :

1. 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.
2. It is optional to indicate your preference. If you leave the for or against column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.
3. Please complete all details including details of member (s) in above box before submission.