INDIAN METALS & FERRO ALLOYS LIMITED

imfa

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20th July, 2017

The Listing Department National Stock Exchange of India Ltd. Exchange Plaza Plot No.C/1, G. Block Bandra-Kurla Complex Bandra (E) Mumbai-400051 **Stock Symbol & Series : IMFA, EQ**	The Deputy General Manager (Corporate Services) BSE Limited Floor 25, P.J. Towers Dalal Street , Fort Mumbai-400001 **Stock Code : 533047**

Dear Sir,

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 enclosed please find herewith copy of the Annual Report for the year 2016-17 for your information and record.

Thanking you

Yours faithfully
For INDIAN METALS & FERRO ALLOYS LTD.

(PREM KHANDELWAL)
CFO & COMPANY SECRETARY

Encl : As above

imfa

PROVEN METTLE

55th

ANNUAL REPORT
2016-17

INDIAN METALS & FERRO ALLOYS LIMITED

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REVENUE
38.36%
Y-O-Y

EBITDA
304.79%
Y-O-Y

PROFIT AFTER TAX
658.53%
Y-O-Y

EPS
651.92%
Y-O-Y

Y-o-Y: Growth in 2016-17 over 2015-16

EQUITY SHARE INFORMATION

Market Capitalisation (31st March, 2017): ₹ 2,073.45 Crore

Promoters holding: 58.88%

National Stock Exchange (NSE): IMFA

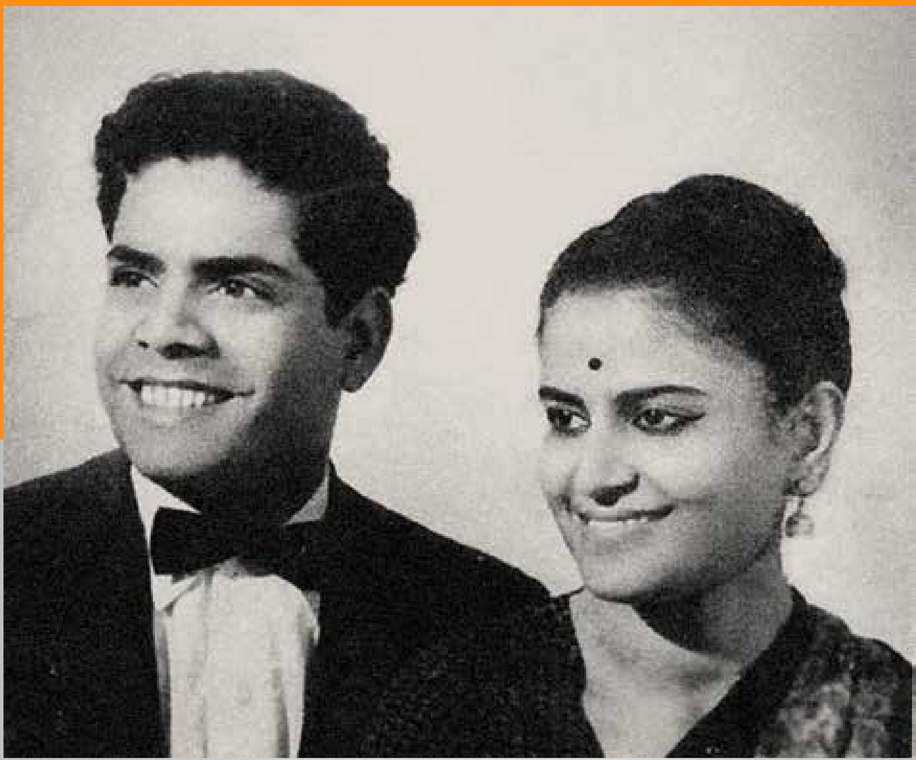
Bombay Stock Exchange (BSE): 533047

FROM THE **CHAIRMAN'S** DESK

PG 08
Read more

ENGAGING AND **EMPOWERING COMMUNITY** ASPIRATIONS

PG 14
Read more



OUR INSPIRATION

Dr Bansidhar Panda and Mrs Ila Panda

DURING LAST FEW YEARS, WE EXPERIENCED MANY UPS AND DOWNS, NAVIGATED CHALLENGES OWING AMONG OTHER THINGS TO A DEMAND-SUPPLY IMBALANCE AND DEVALUATION OF COMMODITY CURRENCIES. DESPITE HARDSHIPS, WE CONTINUED TO REMAIN STEADFAST IN OUR BELIEF THAT WHAT WE HAVE CREATED IS SUSTAINABLE AND VALUE ACCRETIVE FOR THE LONG TERM.

DURING 2016-17, OUR POSITION STOOD VINDICATED. IT WAS A LANDMARK YEAR FOR IMFA. THE MARKET DEMONSTRATED MOMENTUM, AND OUR RICH MINING ASSETS, LEVEL OF INTEGRATION, RELIABLE TALENT POOL WITH COST EFFICIENT PRODUCTION CAPACITIES STOOD US IN GREAT STEAD DURING THE DIFFICULT YEARS. THESE STRENGTHS WILL CONTINUE TO PLAY A PIVOTAL ROLE IN DRIVING OUR GROWTH STRATEGY IN THE COMING YEARS.

WHILE THE GLOBAL FERRO CHROME DEMAND REMAINS VOLATILE, INDIA REMAINS A BRIGHT SPOT AND WE ARE CONFIDENT OF MAINTAINING OUR PERFORMING IN THE COMING YEARS.


WE HAVE STOOD OUR GROUND, AND EMERGED STRONGER.
IMFA IS MADE OF PROVEN METTLE.

MIND AND **METTLE**

EVER SINCE WE BEGAN OUR JOURNEY, WE HAVE ALWAYS FOCUSED ON VALUE CREATION FOR THE LONG TERM, DESPITE THE VOLATILITIES OF OUR BUSINESS ENVIRONMENT.

WE ARE THE LARGEST INTEGRATED VALUE-ADDED FERRO CHROME PRODUCER IN INDIA WITH CAPTIVE CHROME ORE RESOURCES RESERVE AND POWER GENERATION CAPACITIES. WE HAVE TWO STATE-OF-THE-ART MANUFACTURING FACILITIES WITH INDUSTRY-NEXT TECHNOLOGY AND BEST-IN-CLASS OPERATING PRACTICES. WE ARE RECOGNISED GLOBALLY AS A RELIABLE AND COST-COMPETITIVE PRODUCER WITH A FOCUS ON CUSTOMER SATISFACTION.

OUR VISION

We are committed to:

- Grow in terms of scale, scope and geography
- Build an organisation which is admired for its talent
- Influence by way of being the leader in our chosen businesses

OUR CORE STRENGTHS

Proven experience

IMFA enjoys over five decade-rich industry experience in ferro chrome industry.

Strategic presence

We are strategically located in Odisha's chromium reserves belt, which contains 90% of India's total chrome ore reserves. Besides, we get logistical advantages as we are based near major railway hubs and ports.

Cost efficient

Our stringent control measures and consistent efficiency initiatives have enabled us to emerge as one of the most cost-efficient ferro chrome manufactures globally.

Long-term contracts

We have emerged as a reliable partner to international and national steel players owing to our ability to deliver high-quality ferro chrome at the right price and at the right time. Today, about 40% of our revenues are assured from long-term contracts.

Export oriented

We export over 80% of our ferro chrome output to multiple customers across six counties.

Team IMFA

Our team of over 2000+ motivated employees enable IMFA to advance with focus and fortitude.

OUR CAPACITIES

187 MVA

FURNACE CAPACITY FOR FERRO CHROME PRODUCTION

258 MW

CAPTIVE POWER GENERATION PLANT

OUR CAPTIVE MINES

Mines	Location	Operating mode
Sukinda	Jajpur, Odisha	Opencast (OC)
Mahagiri	Jajpur, Odisha	OC and Underground (UG)
Nuasahi	Keonjhar, Odisha	UG

OUR MANUFACTURING ASSETS

Location	Furnaces	Capacity
Therubali, Odisha	3	Smelting: 82 MVA
Choudwar, Odisha	3	Smelting: 105 MVA Power: 258 MW

OUR KEY CERTIFICATIONS

- Integrated Management System incorporating quality environment and occupational health safety certification

OUR CUSTOMERS

Over the years, we have developed long standing relationships with several multi-national companies.

- POSCO
- Marubeni Corporation
- Nisshin Steel
- E United Group
- Tsingshan
- Jindal Stainless
- Zhenshi Holding Group Co. Ltd.

OUR AWARDS AND RECOGNITION

- Top Exporter from Eastern Region 2014-15 (Gold Trophy) Large Enterprise Award by EEPC India.
- Certificate of Merit for outstanding exports of High Carbon Ferro Chrome for the year 2013-14 by Directorate of Export Promotion and Marketing, MSME Department, Government of Odisha.
- Pollution Control Excellence Award 2016 in the category of Industry for 120 MW Power Plant by State Pollution Control Board, Odisha.

PERFORMANCE SPEAKS VOLUMES

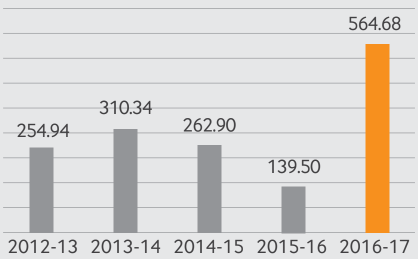
OUR RELENTLESS FOCUS ON IMPROVING EFFICIENCIES AND REDUCING COST IS TRANSLATING INTO A STRONGER BALANCE SHEET AND MORE VALUE FOR ALL STAKEHOLDERS.

MILESTONES OF 2016-17

- Ferro chrome production touched an all-time high of 2,35,460 tonnes, representing an increase of 24.68% over the previous year
- 20.12% increase in exports to 2,05,032 tonnes (1,70,683 tonnes in 2015-16)
- Power generation of 1037 million units (858 million units in 2015-16)

EBITDA

(₹ in Crores)

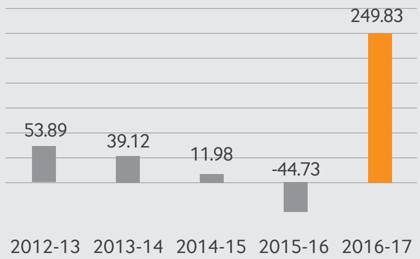


5-YEAR CAGR

17.24%

PROFIT AFTER TAX(PAT)

(₹ in Crores)

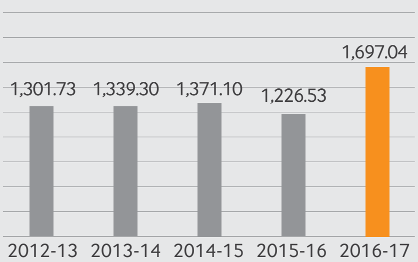


5-YEAR CAGR

35.90%

REVENUE

(₹ in Crores)

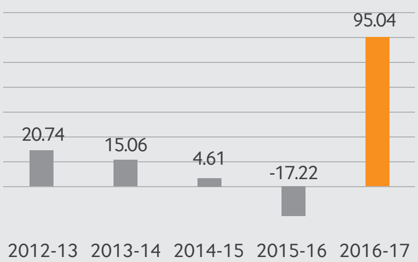


5-YEAR CAGR

5.45%

EARNINGS PER SHARE

(₹)

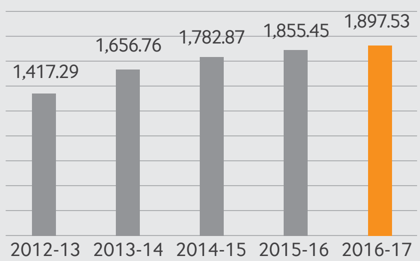


5-YEAR CAGR

35.59%

GROSS BLOCK

(₹ in crore)

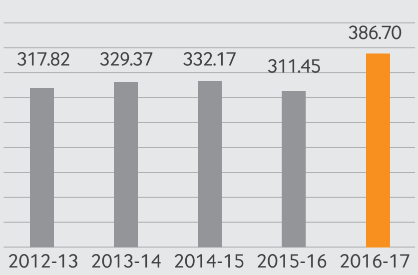


5-YEAR CAGR

6.01%

BOOK VALUE PER SHARE

(₹)

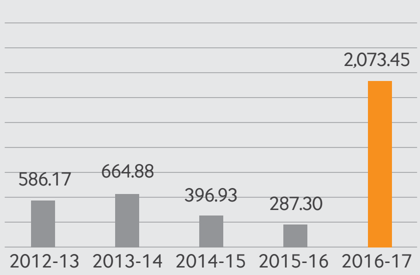


5-YEAR CAGR

4.00%

MARKET CAPITALISATION

(₹ in crores)

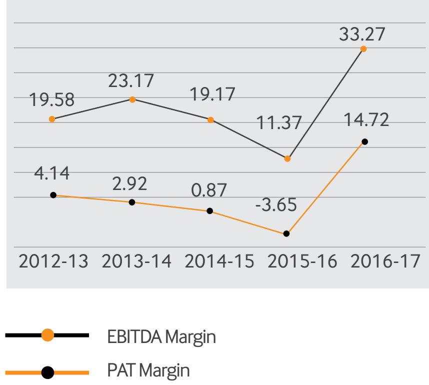


5-YEAR CAGR

28.75%

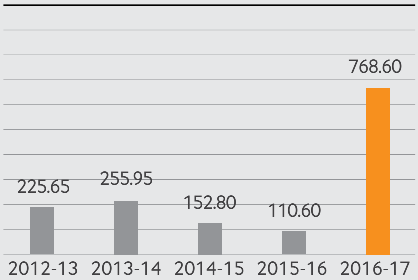
MARGINS TREND

(₹ in Crores)



SHARE PRICE

(₹)



5-YEAR CAGR

27.78%

NSE price as on 31st March, 2017

KEY RATIOS

(%)

	2012-13	2013-14	2014-15	2015-16	**2016-17**
Debt equity ratio	0.94	1.09	1.01	1.03	0.74
Fixed assets turnover ratio	1.72	1.27	1.24	1.12	1.63
Current ratio	1.69	2.22	1.72	1.57	2.28
Quick ratio	0.87	1.29	0.92	0.86	1.53
Inventory turnover ratio	2.10	1.80	1.88	1.91	2.10
Interest coverage ratio	2.61	1.49	1.30	0.30	5.28

FROM THE **CHAIRMAN'S** DESK

TO ME THE MOST REMARKABLE ASPECT OF IMFA ARE ITS CORE VALUES. INTEGRITY, THE PURSUIT OF EXCELLENCE, TEAMWORK, AND SOCIAL COMMITMENT REPRESENT THE PILLARS ON WHICH WE HAVE BUILT THIS ORGANISATION.

Dr Bansidhar Panda
Executive Chairman

YOUR COMPANY WILL CONTINUE TO WORK FOR THE MARGINALISED SECTIONS OF SOCIETY THROUGH THE BANSIDHAR AND ILA PANDA FOUNDATION THROUGH WHICH WE DRIVE SEVERAL PROGRAMMES ON EDUCATION, HEALTH, LIVELIHOOD, WATER & SANITATION.

Dear Shareholder

In my message last year, I had spoken about industry challenges and mentioned that IMFA's core strength of being a fully integrated producer will stand us in good stead. I stand vindicated as we have performed remarkably well during the year under review and, in fact, come out stronger on the back of a strong pick-up in both demand and prices of ferro chrome. While the volatility is a matter of concern, I may point out that we have used every such opportunity to strengthen our Balance Sheet and put in place the necessary building blocks for the future.

To me the most remarkable aspect of IMFA are its core values. Integrity, the pursuit of excellence, teamwork, and social commitment represent the pillars on which we have built this organisation. We will continue to strengthen our core values to build a rich legacy of corporate governance & transparency and create value for all stakeholders.

Along with our business priorities, our social commitment also strengthens our sustainability agenda. This is a journey that we undertake with the utmost diligence. Your Company will continue to work for the marginalised sections of society through the Bansidhar and Ila Panda Foundation through which we drive several programmes on education, health, livelihood, water & sanitation.

On behalf of the Board of Directors I express my appreciation for the hard work and dedication of every member of the IMFA family and the support and encouragement of our stakeholder fraternity.

Best wishes,

Bansidhar Panda
Executive Chairman

MANAGING DIRECTOR'S REVIEW

AT IMFA, WE NAVIGATED TROUBLED WATERS AND BELIEVE IN THE ABILITY OF OUR INDUSTRY TO PRODUCE SIGNIFICANT VALUE FOR THE LONG TERM. NOW THE WORST IS BEHIND US AND OUR PRIORITY IS TO MAKE THE MOST OF THE OPPORTUNITIES THAT ARE EMERGING ON THE HORIZON.

Subhrakant Panda
Managing Director

Dear Shareholders,

India presents an exciting story of ambition, aspiration, and socio-economic acceleration. The country is not only one of the fastest growing large economies of the world, we are also witnessing several important initiatives like Make in India, infrastructure augmentation, smart cities, etc which will be both transformative as well as provide immense opportunity for companies such as ourselves. The broad contours of GST are now known and, at first glance, the change over is expected to give a boost to the economy in general and manufacturing sector in particular.

There was a lot of negative information flow at the start of the year under review but we never doubted our core capabilities because we have successfully overcome commodity cycles at a time when we didn't have the benefit of an integrated business model. At IMFA, we navigated troubled waters and believe in the ability of our industry to produce significant value for the long term. Now the worst is behind us and our priority is to make the most of the opportunities that are emerging on the horizon.

Industry dynamics

About a year ago the ferro chrome industry was grappling with multiple challenges. First, the slowdown in China, which is the largest consumer of ferro chrome and producer of stainless steel. Second, devaluation of commodity currencies, especially the South African Rand. Third, falling consumption and surplus production leading to unsustainable prices.

After a long period of tepid demand and declining prices, there has been a noticeable turnaround in the ferro chrome industry in 2016-17. There was a turnaround in commodity demand which was partly driven by stimulus measures in China and demand from other parts of the world as well. The consolidation in South Africa ferro industry also had a positive impact on ferro chrome prices.

The cyclical nature of our industry has driven out inefficient capacities and fundamentally robust companies like us have weathered the storm with resilience. Today, as the industry is on a revival mode we are among a select group which will benefit.

Our achievement

When the market is on a high and an organisation is at the peak of its operational efficiency, it makes a great combination for the business.

In 2016-17 we set records in every single operational front with the highest ever production & export of ferro chrome, highest ever power generation crossing 1000 MU mark for the first time and chrome ore raising. This, in turn, led to record topline of ₹ 1,697.04 crores and a sharp increase in EBIDTA (₹ 564.68 crores), PAT (₹ 249.83 crores) and EPS (₹ 95 per share). We have rewarded the shareholders through a total dividend of ₹ 20/- per share (200%) including an interim dividend of ₹ 10/- per share (100%).

We also focused on technological improvements and debottlenecking initiatives across our plant to increase productivity through multiple quality improvement projects (QIPs). Most importantly, we carried out the first ever stope blasting at our Mahagiri Mines signifying commencement of underground mining activity in Sukinda Valley. This is indeed pathbreaking and significantly increases the resource potential.

Way forward

Our priorities going ahead are well charted and we will pursue it with full vigour.

- Our primary focus now is to make our balance sheet stronger by reducing debt.
- We will constantly drive efficiency initiatives to optimise our cost structure and utilise resources optimally.
- Our mining capacity expansion is underway and we will align smelting capacity in time to utilise higher output.
- We have commissioned a 3 MW solar project and are looking at expanding our renewable energy portfolio.

We believe prices are now moving into sustainable territory with healthy margins visible over the medium term. We are ideally positioned to reap the benefit of the turnaround and intend to use the gains to create consistent value for our stakeholders. However, volatility can never be ruled out so we have ensured a continuing focus on efficiency and overall competitiveness so as to always perform better than our peers.

We are only as good as our people. Therefore, our future readiness will depend largely on how we nurture our talent pool. We continue to invest in enhancing the capabilities of our people so that they can play a significant role in our long term growth trajectory.

Our business priorities are aligned with our agenda for community empowerment. I believe society gives us the licence to operate and we must be capable to live up to its expectations. I am happy to share that we are consistently extending our role in the realm of rural healthcare, education, empowerment of women and other socio-economic issues. We are also working proactively to enhance green coverage near our facilities to diminish our carbon footprint and protect the environment.

WE BELIEVE PRICES ARE NOW MOVING INTO SUSTAINABLE TERRITORY WITH HEALTHY MARGINS VISIBLE OVER THE MEDIUM TERM. WE ARE IDEALLY POSITIONED TO REAP THE BENEFIT OF THE TURNAROUND AND INTEND TO USE THE GAINS TO CREATE CONSISTENT VALUE FOR OUR STAKEHOLDERS. HOWEVER, VOLATILITY CAN NEVER BE RULED OUT SO WE HAVE ENSURED A CONTINUING FOCUS ON EFFICIENCY AND OVERALL COMPETITIVENESS SO AS TO ALWAYS PERFORM BETTER THAN OUR PEERS.

I am grateful to all our stakeholders for their continued support and faith in our vision. Your encouragement and support has enabled us to build on our capabilities and prove our mettle to the world.

Thank you

Subhrakant Panda
Managing Director

VALUE THAT ENRICHES AND ENDURES

CUSTOMERS

- Provide best-in-class products at value-for-money prices.
- We interact with customers to understand their production pipeline and customised requirements; and accordingly align our production.
- Our integrated model ensures faster turnaround times, superior quality and improved efficiencies, resulting in our emergence as a preferred supplier both in India and abroad.
- Our objective is to move beyond the one-time transaction scenario to a long-term relationship with customers.

SHAREHOLDERS

- Paid an interim dividend of 100% in February 2017 and proposed a final dividend of 100% for 2016-17 (face value: ₹ 10).
- Market capitalisation surged by 624% in 2016-17.
- Registered 24.61% increase in book value per share and 651.92% growth in earnings per share in 2016-17.
- Focused on constantly reducing our debt portfolio to strengthen our balance sheet.
- Return on equity in 2016-17 stood at 950.40% (-172% in 2015-16).
- Return on net worth in 2016-17 stood at 23.94% (-5.53% in 2015-16).
- Keep our shareholders updated about our financial performance, annual performance and new projects through various platforms.

EMPLOYEES

- Consistently invest in our people through continuous training across behavioural, technical, operational and Health, Safety and Environment (HSE), among others.
- Adopt best practices and share relevant knowledge with them.
- Created a highly transparent work environment for our people, supported by globally benchmarked HR practices.
- Enhanced growth and career prospects through expansion across all business lines.
- Identified high potential employees and charted accelerated growth paths for them.

SOCIETY

- Actively contributed to the cause of ensuring education and healthcare for women and children through free healthcare camps in tribal areas.
- Provided educational opportunities for promising underprivileged students.
- Provided skill development and employment opportunities.
- Contributed significantly to environment protection and improvement through a reduction in carbon emissions.
- Across our mines, we ensure strict compliance with environment regulations and preserve the greenery in the area.
- Initiatives taken to utilise waste (fly ash).

VENDORS

- Treating vendors not as mere suppliers, but as partners in progress.
- Maintaining transparent pricing policies.
- Helping improve their processes, efficiencies and quality through regular inputs and training.
- Recognising good performers through increased share of business.

REGULATORS AND STATUTORY BODIES

- Comply with the standards set by regulatory bodies and the government.
- In line with compliance management,we publish regular compliance reports.
- Regular audits are also performed.

ENGAGING AND **EMPOWERING COMMUNITY** ASPIRATIONS

AT IMFA, OUR SOCIAL RESPONSIBILITIES ARE A PART OF OUR FOUNDER'S VISION. WE PURSUE A RANGE OF CSR ACTIVITIES FOR ENSURING SUSTAINABLE DEVELOPMENT OF THE MARGINALISED AND DISADVANTAGED SECTIONS OF THE COMMUNITY. THEY ARE HEALTH, EDUCATION, LIVELIHOOD, WATER AND SANITATION.

OUR SOCIAL DEVELOPMENT ARM, BANSIDHAR AND ILA PANDA FOUNDATION (BIPF) EMPOWERS PEOPLE FROM MARGINALISED GROUPS THROUGH SUSTAINABLE AND SCALABLE INTERVENTIONS. THE FOUNDATION STRIVES TO ENGAGE, EDUCATE AND EMPOWER VULNERABLE COMMUNITIES. WE AIM TO ACHIEVE SIGNIFICANT SOCIO-ECONOMIC TRANSFORMATION THROUGH THESE INITIATIVES.

PROJECT AROGYA DHARA - PREVENTIVE AND CURATIVE HEALTH INITIATIVES

Awareness campaign on Malaria, Dengue, and Diarrhea (MDD)

We organised an awareness campaign on MDD in 50 peripheral villages of Therubali. We educated communities on adopting preventive measures against MDDs. Besides, we sprayed bleaching powder in wells to disinfect drinking water and killing pathogens like malaria-causing mosquito larvae. Moreover, we used wall paintings in high footfall areas of the villages to spread awareness about MDDs, mother and childcare and gender equality, among others. Going forward, we expect to begin these awareness programmes in local schools too.

Awareness programme for tribal teens

We organised adolescence awareness programmes at tribal schools of Therubali. A total 300 female student from different schools benefited from this activity and we distributed leaflets among the participants.

Organised dispensaries

During FY 2016-17, a total of 80,000 patients were directly benefited by our dispensaries at Therubali, Nuasahi, Sukinda and Choudwar.

Organised regular health camps near manufacturing sites

We offered regular health camps to marginalised residents in the periphery of our production sites. At Choudwar, we conducted three general health camps in which 1,448 patients were treated. At Sukinda, a total of 908 patients were treated in three rural health camps. We distributed free medicines to them and conducted malaria detection tests in the camps.

Facilitated immunisation drive

We began a special immunisation drive against Japanese Encephalitis (JE) and pulse polio at Sukinda, in partnership with District Health administration. We vaccinated 295 children from nearby villages of Kaliapani GP for JE and 271 children for pulse polio in FY 2016-17.

Livestock Vaccination Camp

We organised a livestock vaccination camp at Sukinda Block for vaccination of livestock and distribution of medicines.

PROJECT ADHYAYAN - EDUCATION FOR ALL

Funding rural and tribal schools

We continue to sponsor several rural and tribal schools in the districts of Keonjhar, Jajpur and Cuttack.

Sponsored electrification in school

We sponsored the electrification work in Deopur UG Government High School, Therubali benefiting over 200 students.

Study tour for tribal children

We organised tour for tribal students of Therubali Upper Primary School. It provided the children exposure and understanding about Odisha's culture and history. The tour included 50 students along with village education committee and school staff visiting different historical places of the state.

Distributed essential study materials

We supplied essential study materials like school bags, note books, 200 mats to tribal schools at Therubali and Sukinda. The initiative was aimed at ensuring quality education and minimal dropouts and covered 5,800 beneficiaries.

Donated school furniture and play equipment

We donated fabricated desk and benches to three schools at Choudwar benefiting 1,141 children. Additionally, we installed play equipment like slides, seesaws and swings in a Choudwar school, benefiting 170 children.

Creative Workshops

We conducted these for primary school children in Choudwar, where 300 children from two schools participated and pursued their passion.

Capacity Building Training for School Management Committees (SMCs)

To create awareness on the role of education and achieve zero dropout, we organised regular community meetings and capacity building training for SMCs.

Prof Ghanashyam Dash Scholarship

It provides financial assistance to promote professional education to students from economically marginalised families. In FY 2016-17, we bestowed the award on six meritorious students from Odisha. The scholarship covers 90% of academic fees and related expenses for the entire duration of the course. Additionally, we provided financial assistance to tribal students at Therubali.

PROJECT SAKSHYAM - DEVELOPING SKILLS AND EMPLOYMENT OPPORTUNITIES FOR YOUTH

BIPF Sukinda ITI (Pvt)

At Sukinda, a new state-of-the-art residential Industrial Training Institute (ITI) named BIPF Sukinda ITI (Pvt.) commenced its academic session from FY 2016-17. It is affiliated to National Council for Vocational Training (NCVT) and offers training in trades like welder, fitter, electrician and so on. This year 96 students have enrolled for the programme.

Therubali Private Industrial Training Institute

Approved by NCVT, it trains students in different skills like welding, plumbing and others. This institute has trained around 1,500 students, since its inception, and over 1,331 are now employed in respectable positions. Currently, 77 students are preparing to join the skilled workforce.

BIPF is the PIA (Project Implementation Agency) for MoRD Skill Programme

In FY 2016-17, we signed the second MoU with Odisha Rural Development and Marketing Society (ORMAS). In partnership with Ministry of Rural Development (MoRD), this project will train 360 candidates as Industrial Sewing Machine Operator (ISMO), and Electrician Domestics and Turning trade. BIPF Choudwar Skill Centre is training girls as SMOs and BIPF JKPur Skill Centre is imparting training to boys for the trades of Electrician Domestics and Turning. This is our contribution towards the state government's agenda of Skilled Odisha-Empowered Odisha.

Empower Tribal Women

We inaugurated a tailoring training centre to empower tribal women in Therubali. The centre attracted candidates from the villages of Khedapada GP, Kartikaguda GP and Therubali GP. Till date, we have trained 120 women. Besides, we organised a specialised training on Applique work for 15 tribal women of Therubali.

PROJECT UNNATI - INTEGRATED SELF-HELP INITIATIVE FOR WOMEN'S EMPOWERMENT

Project Unnati supports 81 SHGs, and has mobilised 1,300 women for socio-economic empowerment by building their capacity with skill and knowledge. The SHGs are well-represented by tribal women and they constitute 48% of total members.

Trained for enhanced earning capacity

We trained our SHG members on enhanced cultivation techniques including Systemic Rice Intensification (SRI) and animal husbandry (goat-rearing and poultry).

Exposure Training

We organised exposure training to learn sustainable agriculture practices. It included periodical and refresher training on vegetable and mushroom cultivation.

Financial Support

We enhance financial empowerment of women through exposure to financial assistance. At present, 80 SHGs are linked to banks and receive financial help. Moreover, 908 of the 1,300 SHG members were engaged in income generating activities, adding extra income to their families.

Life-skill Training

Additionally, the Project Unnati provides life-skill training in nutrition, anaemia and immunisation, among others.

Celebrations to inculcate confidence

We celebrated International Women's Day to make the SHG members confident. In Nuasahi, 75 women and at Choudwar, 50 women participated in the programme.

PROJECT SU-SWASTHYA - ENSURING SAFE DRINKING WATER AND SANITATION

Safe Drinking Water and Sanitation Practices

We organised a sensitisation programme at gram panchayat level on potable water and sanitation practices. The objective was to encourage people to perform their role and responsibilities for smooth functioning of Rural Water Supply and Sanitation (RWS&S). Around 50 participants attended.

Global Hand Washing Week

Global hand washing week was observed in two schools and Kushatikiri SHGs. The objective of the programme was to emphasise on the ritual of hand washing. Altogether, 400 school children, teachers and SHG members participated in the rally and other interactive programmes.

Orientation programme on personal health and hygiene

We organised orientation programmes on personal health and hygiene for 'anganwadi workers', children and parents at Nuasahi, Kusatikiri, Siadimalia and Nuarugudisahi Anganwadi Centres. Overall, 250 children, parents, AWWs, ASHAs and ANMs participated in these.

Installed equipment for safe drinking water

During 2016-17, we installed bore well with overhead tank connected with water pipe at door step. It benefited 4,150 villagers of six villages in Therubali and Choudwar. Moreover, we provided electricity connection and water facility to a school in Choudwar benefiting 2,000 students.

Hygiene Awareness Programme

We initiated a hygiene awareness programme, and provided potable drinking water in Sukinda by disinfecting 498 wells in seven gram panchayats benefiting 3,700 people. Moreover, we covered pits for four open wells of Kaliapani GP, Sukinda block.

INFRASTRUCTURE DEVELOPMENT

We helped develop infrastructure in villages to be used for community activities. We developed the 'village mandap' at Kaliapani GP, Sukinda block, and a temple and its mandap at Choudwar. It could be used for social gathering and informal meetings. We expect these to benefit over 1,000 residents in the area.

OTHER ACTIVITIES

Encouraged rural sporting events

We distributed sports equipment to the youth of Therubali, Kartikaguda, Khedapada and Dumuriguda gram panchayats. At Sukinda, sports materials were distributed to youth clubs and schools, covering 500 beneficiaries.

Distributed dance costumes

Sankirtan dresses were handed out to Pujariguda Sankirtan Mandali of village Pujariguda. This intends to promote socio-cultural activities in the area.

Enhanced awareness about green cover

Distributed sapling for plantation to school children at Managarajpur village, Choudwar; thus, raised awareness to increase green cover.

Donated blankets

Blankets were distributed to the poor and needy in Sukinda and senior citizens of local tribal groups at Therubali. Overall, 300 people benefited from this.

FOURTH SHAMBHAVI PURASKAR

4th Shambhavi Puraskar awarded to Shri Hari Sankar Rout from Kandhamal district. Chief Guest, Shri Rajiv Pratap Rudy, Hon'ble Union Minister of State for Skill Development & Entrepreneurship (Independent Charge), Govt. of India, and Guest of Honour Prof Swapan Kumar Datta, Pro-Vice-Chancellor of the Visva-Bharati University, Santiniketan, West Bengal, presented the award to Shri Rout. The recipient Shri Rout, an Engineer by profession is the Founder Secretary of Social Welfare Agency & Training Institute (SWATI) and has been working in the most inaccessible pockets of Kandhamal district of Odisha, on Natural Resource Management (NRM) and livelihood promotion of the marginalised communities. His significant contribution is the installation of a 7.5 KW micro-hydroelectric project, diverting water from Bhim Jharan stream through pipeline to Dangarpadar village of Tumudibandha Block. This ensures 24-hour electricity supply, water for domestic use and diversion-based irrigation in the village.

IDEATE-2016

'Ideate', BIPF's annual panel discussion 'From Ideas to Action' this year was held in partnership with Global Health Strategies (GHS) on the theme 'Immunisation for All: Improving Child Health'. Experts from across fields came together to discuss the important role immunisation plays in child health. This also aimed to find ways in which vaccine awareness can be raised and how interventions can become more accessible across all levels of society. Eminent virologist and child health specialist Dr T. Jacob John, Emeritus Professor, Christian Medical College, Vellore, delivered the keynote address that provided an in-depth insight into the issue of child health and immunisation in India. The discussion was moderated by Dr Supriya Bezbaruah, Senior Director, Global Health Strategies and the panel included Dr Hemanta Kumar Mishra, Additional Director of Child Health, State Expanded Program of Immunisation, Government of Odisha; Mr Joe Madiath, Founder, Gram Vikas; Dr Rajiv Tandon, Technical Director - Maternal Neonatal and Child Health and Nutrition, PATH; and Dr Amir Ullah Khan, Policy Advisor, Bill and Melinda Gates Foundation. Each member of the panel talked briefly on the situation, challenges and the way forward for immunisation in relation to their background and expertise.

RECYCLING OF WASTE

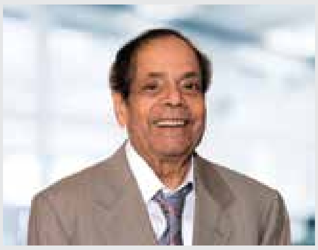
We put to use 99.97% of the generated fly ash in FY 2016-17. Last financial year, we have used 4,83,572MT of the total generated 4,83,693 MT of fly ash.

Coal ash produced in 108 MW power plant consists mainly of clinkers of assorted sizes and contains unburnt carbon. It is majorly used for making roads, in agriculture and for land fillings.

Fly ash generated from the CBFC boilers (of 30MW and 120MW power plants) is used in manufacturing fly ash bricks. IMFA has a Low Density Aggregate manufacturing unit that consumes fly ash from 120MW power plant.

To promote fly ash brick manufacturing industries, we provide subsidised fly ash within 100km radius of our location. Further, we transport fly ash for road making free of charge. Left-over fly ash and bottom ash is used for reclaiming waste and degraded lands.

BOARD OF **DIRECTORS**



Dr Bansidhar Panda, Executive Chairman
Dr Bansidhar Panda is a scientist of international repute and the Founder and Executive Chairman of IMFA Group. He attained degrees from prestigious universities like Benaras Hindu University, Michigan Technological University and Harvard. With more than 50 years of experience in the ferro alloys industry, he is acknowledged as an authority on the subject. Dr Panda has served on Boards of Air India and Hindustan Aeronautics Limited. Besides, he has been the former Chairman of the Board of Governors of NIT, Rourkela; and member on the governing Boards of IIT, Kharagpur and IIM, Kolkata.

Dr Panda has expressed his desire to step down as a Director, and consequently, from the post of Executive Chairman from 18th May, 2017. Based on unanimous request of the Board, he will continue as Director & Executive Chairman till the conclusion of forthcoming Annual General Meeting and thereafter he will be designated as Founder & Chairman Emeritus, and act as an Advisor to the Company.

Mr Baijayant Panda, Vice Chairman
Mr Baijayant Panda majored with a degree in Scientific and Technical Communication from Michigan Technological University in 1985. He has rich experience in the ferro alloys industry besides having founded Ortel Communications Ltd. In his initial days, Mr Panda was active in organisations like the Confederation of Indian Industry (CII), Federation of Indian Chamber of Commerce and Industry (FICCI) and the International Chromium Development Association. In the past, he has been associated with the Government of Odisha's Industrial Advisory Committee. Besides, he has been a Director on the Industrial Promotion and Investment Corporation of Odisha (IPICOL). As a parliamentarian, he has been an active member of important committees like the Parliamentary Standing Committees on Finance, Home, Energy and Urban Development. After serving as an MP in Rajya Sabha for nine years, he has been elected to the Lok Sabha from Kendrapara, Odisha in 2009 and 2014.

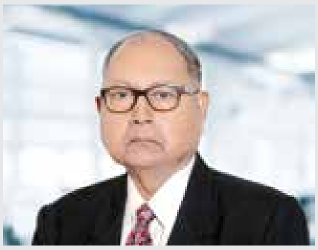
Mr Subhrakant Panda, Managing Director
Mr Subhrakant Panda holds a Bachelor of Science Degree in Business Administration from the School of Management, Boston University. He graduated with honours summa cum laude with a dual concentration in Finance and Operations Management. Mr Panda has been recognised with several awards for his outstanding scholastic achievements. His current role in IMFA includes defining broad strategic goals while independently supervising the day-to-day management of the Company.

He is the current President of International Chamber of Commerce - India Chapter as well as Chairman of Federation of Indian Chambers of Commerce & Industry (FICCI) - Odisha State Council. Mr Panda is only the third Indian to have been elected President (2013-15) of the International Chromium Development Association (ICDA) which is the voice of the chrome industry with IMFA being one of the Founding Members.

Mr J K Misra, Director (Corporate) & COO
Mr J K Misra holds a degree in Electrical Engineering from erstwhile University of Roorkee (presently IIT, Roorkee) and MEP from IIM, Ahmedabad. He has been associated with the Company for over 30 years. Over the years, he has held various positions and responsibilities. He has headed the Therubali Manufacturing Complex and the Commercial Division. His current role as the Chief Operating Officer is to look after the Company's day-to-day management.

Mr Chitta Ranjan Ray, Whole-time Director
Mr Chitta Ranjan Ray has a Bachelor of Science in Electronics from Burdwan University. He has a long career spanning over 48 years in IMFA. His successful supervision of all important aspects of operations and projects in IMFA has made him the Company's Whole-time Director. Besides, he is responsible for overall Health, Safety and Environment (HSE) Compliance.

Mrs Paramita Mahapatra
Mrs Paramita Mahapatra completed her Post Graduation in Personal Management and Industrial Relations from Utkal University with a Gold Medal. She has handled several responsibilities within the Company before becoming the Managing Director of UMSL Ltd.



Mr D Bandyopadhyay
Mr D Bandyopadhyay is a Post Graduate in Economics from University of Calcutta. He joined the Indian Administrative Service in 1955. Since then, he has held several important positions in the Government of West Bengal and the Central Government. It culminated in his appointment as Secretary, Ministry of Finance, Department of Revenue, Government of India. Currently, he is a Member of Parliament in the Rajya Sabha.

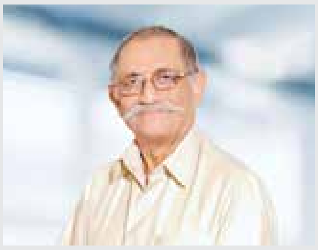
Major R N Misra (Retd.)
Major R N Misra (Retd.) holds a degree in Engineering (First Class) from College of Military Engineering, Pune. Additionally, he has an MBA Degree (First Class with distinction) from University of Pune. He is a fellow member of Institution of Engineers India as well as a certified Chartered Engineer.

Mr N R Mohanty, Padma Shri
Mr N R Mohanty Padma Shri was university topper in Mechanical Engineering from Regional Engineering College, Rourkela. He retired as Chairman of Hindustan Aeronautics Ltd (HAL), after a successful career spanning three decades. To recognise his outstanding contribution in the aviation industry, various awards were conferred on him. He received awards like Outstanding Chief Executive Award, Indira Gandhi Sadbhavana Award, Rashtriya Ratan Award, Visveswarya Samman and so on. In 2004, the Government of India awarded him with Padma Shri.

BOARD OF **DIRECTORS (CONTD.)**

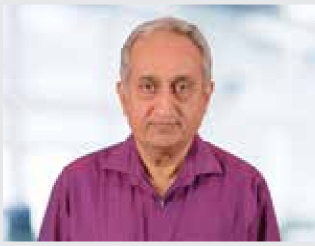
Mr S P Mathur

Mr S P Mathur has a Bachelor's degree in Commerce; and passed Chartered Accountancy from the Institute of Chartered Accountants of India in 1970. He has rich working experience of over 35 years. Mr Mathur has served as the Director (Finance) at IMFA besides shouldering several other responsibilities in the Company.



General Shankar Roychowdhury (Retd.)

General Shankar Roychowdhury (Retd.) is a graduate of National Defence Academy, Indian Military Academy, Defence Services Staff College. He is also an alumnus of Army War College and National Defence College. He is a Doctorate D.Litt (CAVSA). He is the former Chief of Army Staff, Indian Army and former Member of Parliament (Rajya Sabha).



Mr Santosh Nautiyal

Mr Santosh Nautiyal holds a Bachelor's degree in Arts and a Masters in Political Science. He joined the Indian Administrative Service (IAS) in the year 1968. During his 38 years of service, he held several important positions like Principal Secretary, Industries Department, Government of Odisha, Joint Secretary, Ministry of Steel in the Central Government. He retired in July 2006 as the Chairman of the National Highways Authority of India (NHAI). Mr Nautiyal is an Independent Director on the Boards of the Mangalore SEZ Ltd.

Mr Stefan Georg Amrein

Mr Stefan Georg Amrein has graduated from Commercial School in Switzerland. He has held several important assignments and handled several responsibilities such as internal payment and troubleshooting, function in mid-office operations. Additionally, he has served in various capacities like assistance to portfolio managers, operations for the fund industry in Credit Suisse/Credit Suisse First Boston, Credit Suisse Asset Management and Royal Bank of Canada.

Mr Bijoy Kumar Das

Mr Bijoy Kumar Das holds a Bachelor's degree in Arts and a Masters in Economic History of Modern India. He joined the Indian Administrative Service (IAS) in the year 1969. During his tenure of service in the IAS, he held several important positions like Chairperson of Orissa Electricity Regulatory Commission and Chief Secretary to Government of Karnataka. He has also served as Additional Chief Secretary and Principal Secretary of various departments. Additionally, he was Joint Secretary to Government of India, Cabinet Secretariat, New Delhi, Director of Census Operations, Karnataka, Ministry of Home Affairs, Government of India besides holding various other positions in the State.

LEADERSHIP TEAM

Prem Khandelwal
CFO & Company Secretary

Sanjeev Das
Senior Vice President
Head – Mining Business Unit

Bijayananda Mohapatra
Senior Vice President
Head – Power Business Unit &
Executive-in-Charge, Choudwar

Deepak Kumar Mohanty
Vice President
Head – Ferro Alloys Business

Dhananjaya Senapati
Vice President
Manufacturing & Technology

Ashok Kumar Behera
Vice President
Head – Corporate Affairs
& Legal

Aashish Kumar Mishra
Vice President
Head – Human Resources

CORPORATE SOCIAL RESPONSIBILITY POLICY

It is through action (without attachment) alone that wise men have reached perfection. In the same way, it is proper that you should take action keeping an eye on universal welfare. Bhagvad Gita, Chapter III, Verse 20

"As a scientist, I have pursued the Gandhian principle of changing as many lives I interact with as possible".
Dr Bansidhar Panda, Founder - Chairman

ABOUT US

IMFA is a world of enterprise and innovation inspired by its Founders Dr Bansidhar Panda and Late Mrs Ila Panda. What stands now before the world is a leading, fully integrated producer of ferro alloys straddling the value chain from mining to smelting with ambitious growth / diversification plans on the anvil. Our operations are certified to international standards with integrated certification covering quality management, environment and occupational health & safety. The desire of the Founders to have a positive impact on society is ingrained in the culture of the organisation.

MANAGEMENT / GUIDING PRINCIPLES

The Company prides itself on being a responsible corporate citizen which is committed to running its business in the best possible manner while being completely transparent, complying with all relevant rules & regulations and contributing to society at large. Business processes which result in inclusive growth also increase efficiency and longevity thus resulting in sustainability. We adhere to the highest ethical standard which is combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, and honesty of purpose, quality consciousness and meeting the expectations of all stakeholders.

IN THIS CONTEXT, WE ARE COMMITTED TO:

1) Enhancing customer satisfaction by producing to agreed specifications and delivering on contracted terms.

2) Providing a safe & healthy working environment to all employees and business associates by adopting proactive measures as well as complying with all applicable rules & regulations.

3) Environment responsibility by conserving natural resources through process improvements, recycling & waste reduction and minimising pollution.

4) Organisational excellence through good corporate governance and industry leadership by integrating the value chain and continual improvement.

5) Holistic development of all employees, adopting ethical business practices and engaging with the local community.

6) Implementing sustainable and broad based social development programmes for the betterment of the community wherever we operate.

7) Communicating this policy and the performance & progress thereof to all stakeholders.

GENESIS OF CORPORATE SOCIAL RESPONSIBILITY

IMFA's corporate social responsibility is practised in various forms such as corporate conscience, responsible business, sustainable practices and corporate social performance. The aim is to meaningfully engage with stakeholders for socio-economic welfare and to provide development assistance to those communities and their habitat which are directly or indirectly affected by our business activities. For us, CSR means respecting, valuing and empowering those connected with us.

In an era when the terms "corporate social responsibility" was not in vogue, our Founders vision of providing sustainable livelihood through employment generation led to IMFA's inception in a remote part of Odisha's erstwhile undivided Koraput District (now Rayagada) in 1961. Since then, reaching out to marginalised communities and working for their socio-economic upliftment has been the cornerstone of our culture.

VISION

IMFA's vision for corporate responsibility is reflected in the motto 'Touching lives beyond business' wherein we approach inclusive growth by implementing multi-sectoral, sustainable projects which will enable marginalised communities to live a healthy, dignified and meaningful life.

GEOGRAPHICAL PRESENCE

IMFA's primary focus for CSR activities shall be in and around our areas of operations (manufacturing & mining) which presently includes Rayagada, Cuttack, Keonjhar, Angul, Jajpur and Khurda districts of Odisha. Besides enabling a higher quality of intervention, these districts are very relevant as they have high incidence of poverty besides a larger concentration of Schedule Caste and Schedule Tribe population which have traditionally been marginalised. Moreover, some of these districts are also naxal affected.

Once we have assessed the impact of our interventions, we will scale up the successful models to other districts with similar socio-economic background.

FOCUS AREAS

The areas where IMFA plays a useful role based either on its related businesses or by engaging in cross-sectional social & economic domains are:

1) Social development by focusing on community development programmes involving health programmes, women & child care, safe water & sanitation, and malnutrition,

2) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. Enhancing employability by imparting vocational training and entrepreneurial skills leading to income generation and economic empowerment.

3) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing in equalities faced by socially and economically backward groups.

4) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry conservation of natural resources and maintaining quality of soil, air and water. Conserving natural resources through process improvements, recycling, waste reduction and minimising pollution and through extensive plantation.

5) Rural development projects, working with Government, Gram Sabhas, Gram Panchayats, NGOs, CBOs, etc for improving conditions in the communities where we operate with a focus on continuity and sustainability.

6) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports. Promoting sports by instituting awards, promoting sporting events including supporting such activities at school level.

7) Contribution to Prime Ministers National Relief Fund or any other fund set up by the Central Govt for socio economic development and relief and welfare of the scheduled caste, the scheduled tribes, other backward classes minority and woman.

8) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.

The above list is illustrative and not exhaustive. Managing Director shall be authorized to consider CSR activities not falling in this list.

APPROACH

CSR is integrated into IMFA's decision making process, strategy formulation, and management processes & activities. It is at the core of the Company's business objectives and the overall approach is a combination of:

1) Philanthropy - Meant to provide help to humanity, initiatives under this approach include curative medical care and support to local communities for various causes.

2) Sustainable Development - Undertaking or supporting implementation of projects with a long term sustainable outlook. This is achieved by engaging, educating and empowering the community with their participation to meet their present needs as well as securing the future of the next generations. Sustainable development covers all four dimensions i.e. social, economic, environmental and institutional development.

3) Advocacy - Change management to have a positive influence on communities through panel discussions, messages through print & electronic media, discussions with policy makers and strengthening capability at the community level.

IMPLEMENTATION STRATEGY

In order to effectively reach out to its target audience and implement it's charitable, philanthropic and development activities, IMFA has established the following institutions:

1) Indian Metals Public Charitable Trust (IMPaCT)
Founded by Dr Bansidhar Panda and Late Mrs Ila Panda, IMPaCT is the charitable arm of IMFA. Among its noticeable initiatives are Sarala Award for promoting Odia literature and Ekalabya Puraskar for encouraging budding local sports talent. It also provides grants to scholars and runs an old age home.

2) Bansidhar & Ila Panda Foundation (BIPF; www.bipf.org.in)
Founded in 2011 to broaden the Company's social development initiatives in a focussed and sustainable manner, BIPF's areas of interest are education, skill development, water & sanitation, and women & child development. Besides working independently, its charter includes partnering with government & private organisations.

IMFA may also implement its objectives by taking up or supporting activities directly or by contributing to and/or working in partnership with other agencies.

RESOURCES

The Board will approve an overall budget which will then be detailed by the CSR Committee of the Company in terms of allocation, priority areas, etc. The surplus arising out of CSR projects or programs or activities shall not form part of the business profits of the Company.

GOVERNANCE MECHANISM

Our Board of Directors, CSR Committee, Management Team and all employees subscribe to the Corporate Responsibility Policy. CSR Committee as constituted by Board would provide guidance as may be necessary in implementing this policy and the activities thereof.

MONITORING

At IMFA level a CSR cell should be constituted headed by Chief of CSR (Special Initiatives) who will prepare the Report on CSR activities based on which in every quarter CSR Committee should review the progress of implementation of CSR projects/ programmes.

INFORMATION DISSEMINATION

The Company's engagement, performance and progress will be disseminated through its website (www.imfa.in), in-house journal and Annual Report besides that of the implementing agencies and reportage in the print & electronic media.

MANAGEMENT DISCUSSION AND ANALYSIS

It is estimated that around 1 million tonnes of chrome ore is produced by small players in South Africa who export "run of mine" directly to China. These small companies had stopped production in Q1 2016 when the prices were low but are said to have restarted in Q4 2016 after prices of chrome ore recovered.

FERRO CHROME

Ferro Chrome (FeCr), an alloy of chrome and iron ore, is a key raw material for stainless steel (SS) production. Most of the world's ferro chrome is produced in China, South Africa, Kazakhstan and India.

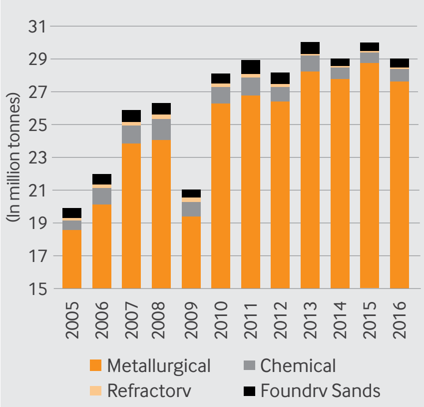
GLOBAL CHROME ORE PRODUCTION

In 2016, the global chrome ore and concentrates production reached 29.015 MT, which was lower by 2.3% year-on-year.

South Africa remains the world's largest chrome ore producer while Kazakhstan, Turkey, India and Russia are other notable producers of chrome ore.

South Africa has been able to meet the growing demand for chrome ore in China assisted by increase in chrome production from UG2 producers. Additionally, new independent chrome ore producers and increased chrome ore exports by major ferro chrome manufacturers have helped bridge the demand-supply gap.

GLOBAL CHROME ORE PRODUCTION 2005-2016



Source: ICDA

Africa

The continent of Africa is by far the largest producer of chrome ore with an output of 16.22 MT in 2016 which, though, was lower by 5.86% as compared to 2015. The output was comparatively low due to stunted production in South Africa (-5.7%) and Madagascar (-17%). However, Zimbabwe's output was marginally up by 1.5%.

Eastern Europe, CIS & Middle East region

In 2016, the region produced 5 MT, which was 4.4% lower than their output in 2015. Russia's output increased by 33% YoY and Iran remained stable, but the output in all other countries of the region decreased. While production dropped in Kazakhstan (-1.2%) marginally, in Oman (-39.1%) it reduced significantly.

Asia and Australasia

In 2016, the region produced 4,390 Kt, that was significantly high by 22% when compared to 2015. India's output increased by 25% after the reopening of some mines. In Pakistan, chromite mining picked pace by 15% and in the Philippines by 52%.

Western Europe/Albania/Turkey

In 2016, the region produced 2,939 Kt, which was lower by 5.1% from 2015. Mining in Turkey was down by 21% while in Albania and Finland increased by 5% and 13%, respectively.

Chrome ore production by region

(in '000 tonnes)

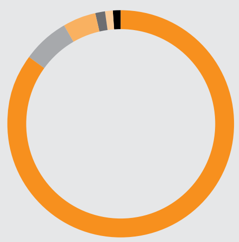
	2015	2016	% Change YoY 2015/2016	Share of total
Africa & Americas	17,771	16,685	(6.1%)	58%
Eastern Europe/CIS & Middle East	5,230	5,002	(4.4%)	17%
Asia and Australasia	3,595	4,390	22.1%	15%
Western Europe/Albania/Turkey	3,097	2,939	(5.1%)	10%
Total	**29,694**	**29,016**	**(2.3%)**	**100%**

Source: ICDA

In 2016, Chinese chrome ore stocks fell noticeably giving rise to panic amongst users. This, coupled with lower output in South Africa due to certain companies entering "business rescue" helped turn the market and chrome ore prices started rising from Q2 2016 and reached levels last seen in 2009.

SHARE OF MAIN CHROME ORE IMPORTING COUNTRIES IN 2016

(%)



Source: ICDA

GLOBAL FERRO CHROME INDUSTRY

In 2016, the global ferro chrome production was 11.1 MT, up by 3.5 MT as compared to 2015 with China retaining its position as the largest producer in the world.

Ferrochrome production by region

(MT)

	2015	2016
Western Europe	0.68	0.67
Eastern Europe	1.34	1.41
Africa	3.89	3.62
America	0.13	0.12
Asia	4.69	5.28
Grand Total	**10.73**	**11.1**

Source: ICDA

- China's ferro chrome output totalled 4.22 MT in 2016. This was record output and higher by 10.6% YoY.
- South Africa's ferro chrome industry produced around 3.59 MT in 2016, which was lower by 5.1% YoY.
- Kazakhstan with around 1.2 MT of ferro chrome output in 2016. The output was 5.15% more than in 2015.
- India's ferro chrome production picked up by 22.2% in 2016 with 1.06 MT of FeCr output.

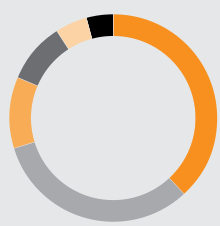
In the last decade, China has usurped South Africa's position as the world's No.1 ferro chrome producer. The change was driven by reduced cost competitiveness and electricity supply constraints in South Africa (SA). This led to a surge in chrome ore exports from SA to feed the growing capacity of the Chinese ferro chrome industry.

Growth in global stainless steel output over the past decade has been driven by China, increasing its market share from 20% to 55% in 2016. As ferro chrome is used for stainless steel manufacturing, its increased consumption indicates a rise in stainless steel production.

Although China has limited chrome ore reserves (estimates are <1% of available resources) of its own, yet it is the world's leading ferro chrome producer. The country relies heavily on imports to sustain its growing ferro chrome production.

COUNTRY WISE PRODUCTION

(%)



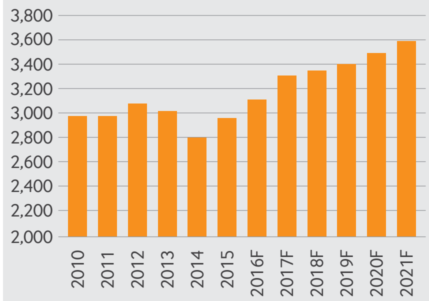
INDIAN FERRO CHROME INDUSTRY

India's total chrome ore resources are estimated at 203 million tonnes, with 27% or 54 million tonnes being maintained as reserves. More than 93% of the chromite resources are located in Odisha, mostly in the Sukinda Valley in Cuttack and Jajpur districts. (Source: Macquarie Research)

India's ferro chrome industry, with 1 million tonnes per annum production, contributes 9% of the 11 million tonnes global ferro chrome output. India exports ~50% of its annual ferro chrome output. Similarly, India's 3 million tonnes per annum chrome ore production forms 9% of global production.

INDIA'S CHROME ORE PRODUCTION

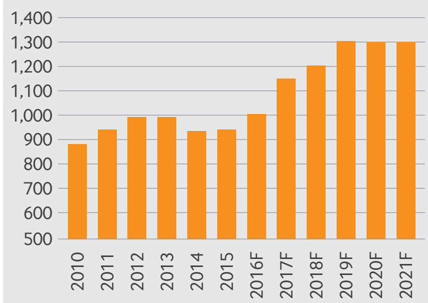
(ktpa)



Source: Steel mint

INDIA'S FERRO CHROME PRODUCTION

(ktpa)



Source: Steel mint

INDIAN FERRO CHROME PLAYERS – INTEGRATED VS. CONVERTORS

India's ferro chrome industry can be divided into three types of players

- Fully integrated : Ferro Chrome producers having both captive chrome ore and power.
- Partially integrated : Ferro Chrome producers having either captive chrome ore or power.

- Non integrated : Ferro Chrome producers having no access to either captive chrome ore or power.

IMFA is fully integrated with both captive chrome ore and captive power generation capacity.

Outlook

The ferro chrome industry is expected to remain stable in the near future with robust demand. Stability in the Chinese economy and the new US regime proposing massive infrastructure projects are expected to raise demand for stainless steel and, thereby, ferro chrome. Volatile currencies like SA Rand are likely to remain stable keeping ore and ferro chrome prices steady. Moreover, the industry is expected to see substantial consolidations which will drive market discipline and cut down inefficiencies in the production capacity. India holds a lot of promise with government initiatives easing mining operations for consolidated ferro chrome producers.

Global stainless steel industry

Global stainless steel production for 2016 increased 10.2% year-on-year to 45.7 million tonnes, with significant rise in China.

Output of stainless steel in Asia, excluding China, grew by 5.2%, from 9.4 million tonnes in 2015 to nearly 9.9 million tonnes in 2016.

China, however, recorded a 15.7% surge in production, from 21.56 million tonnes in 2015 to 24.93 million tonnes in 2016.

During 2016, stainless and melt shop steel output from Western Europe/Africa increased marginally by 2.5%. It reached 7.70 million tonnes from 7.51 million tonnes in 2015.

Source: International Stainless Steel Forum (ISSF)

Indian stainless steel industry

Consumption of stainless steel in India is projected to maintain its growth trajectory. The Government of India's impetus on infrastructure creation and proposed smart cities will drive demand for stainless steel. Moreover, growing urbanisation and disposable income will enhance demand for white goods which is mostly made of stainless steel.

IMFA at a glance

IMFA is India's leading fully integrated producer of value-added ferro chrome. Over the last 50 years the Company has created a strong foundation through constant innovation leading to sustainable productivity. It has an integrated management system incorporating quality, environment and occupational health & safety certification.

The Company is a globally recognised brand among ferro chrome producers and primarily exports to the Far East – China, Japan, Taiwan and South Korea. IMFA is trusted by multinationals like POSCO in South Korea, Marubeni Corporation and Nisshin Steel in Japan for its commitment to quality.

While exports account for a majority of the output at present, IMFA is well placed to meet the expected rise in domestic demand as it is located in Odisha which is going to be the hub of stainless steel production in the country. Its esteemed clients include Jindal Stainless, AIA Engineering, Shah Alloys and Viraj Profiles among others.

Business Segments

Ferro Alloys

IMFA is currently focused on production of ferro chrome, a ferro alloy that imparts the non-corrosive property to stainless steel.

Region wise performance

(metric tonnes)

Region	2015	2016	y-o-y (+/-%)
Western Europe/ Africa	7518	7705	2.5%
Central/ Eastern Europe	259	247	-4.6%
The Americas	2747	2931	6.7%
Asia (w/o China)	9461	9957	5.2%
China	21562	24938	15.7%
Total	**41548**	**45778**	**10.2%**

Source: International Stainless Steel Forum (ISSF)

At present, most of the output is exported to Far East Asia which is the epicentre of stainless steel production.

However, the government's focus on increasing domestic productions with programmes like 'Make in India' is likely to change the domestic demand scenario. Further, a focus on infrastructure is expected to push demand higher for stainless steel and eventually ferro chrome.

Ferro alloys production and sales

Particulars	2016-17	2015-16
Production (tonnes)	235460	188849
Sales (tonnes)	233698	193302

Power

The Company has captive power generation capacity in line with its philosophy to be fully inegrated and maximise value addition. It has also kept pace with technology with the capacity addition by way of the 30 MW and 120 MW units utilising CFBC boilers and 'state of the art' technology.

Power generation and sales

Particulars	2016-17	2015-16
Generation (in million units)	1036.88	857.99
Sales (in million units)	-	-

As an organisation committed to sustainability, the Company is shifting focus to renewable sources of energy. Thus, it is in the final stage of setting up a 3 MW solar power generation plant in Therubali and actively exploring augmenting renewable energy capacity.

Mining

IMFA initiated quartz mining in the 1960s in order to meet its raw material needs for production of silicon alloys. However, with the shift to producing chrome alloys, the focus is now on mining chrome ore. In line with its commitment to value addition, the entire output is consumed in-house thereby maximising revenues and jobs.

At IMFA, we believe in responsible mining activities without jeopardising communities where we operate. Therefore, we take our operational safety seriously in mines. With several safety measures in place, the mines of IMFA recorded a safe year without a single mishap.

Today, IMFA has access to over 18 million tonnes of total ore reserves. The Company has mines at Sukinda, Mahagiri and Nuasahi in Odisha.

FINANCE REVIEW

Financial Performance

₹ in Crore

Particulars	2016-17	2015-16
Revenue from operations	1697.04	1226.53
EBITDA (before exceptional items)	564.68	139.50
Profit/(Loss) after tax	249.83	(44.73)
Cash profit	478.35	38.74
Earnings per share (EPS) (₹)	95.04	(17.22)
Cash EPS (₹)	181.97	14.91
Net worth	1043.20	809.06
Capital employed	1907.02	1691.21
Fixed assets (including CWIP*)	1072.99	1139.04
Net current assets	449.86	131.17

*CWIP stands for capital work in progress

Revenues

The Company's revenues from operations stood at ₹ 1697.04 Crore in FY 2016-17 as against ₹ 1226.53 Crore in FY 2015-16. There is an increase of 38.36% over last year's revenue arising out of higher output and increasing realisations.

Exports

The Company earns a substantial amount from exports contributing around 85.29% of the operating revenue. IMFA earned foreign exchange equivalent to ₹ 1447.37 Crore in FY 2016-17 as compared to ₹ 1,057.15 Crore in FY 2015-16.

Other income

Other income stood at ₹ 49.35 Crore in FY 2016-17, vis-à-vis ₹ 16.48 Crore in FY 2015-16 mainly on account of gain on foreign currency transaction & translation of ₹ 29.99 Crore.

Profitability

The Company recorded an EBITDA (before exceptional items) of ₹ 564.68 Crore in FY 2016-17 compared to ₹ 139.50 Crore during FY 2015-16. PAT stood at ₹ 249.83 Crore as against ₹ (44.73) Crore in FY 2015-16.

Tax expense

Net tax charge was ₹ 119.83 Crore in FY 2016-17 vis-s-vis ₹ (30.58) Crore in FY 2015-16.

Sources of fund

Own funds

The Company's net worth increased to ₹ 1043.20 Crore as on 31st March, 2017, from ₹ 809.06 Crore as on 31st March, 2016.

Equity

During the year under review the Company has issued and alloted 10,00,000 equity shares of ₹ 10/- each on preferential basis to Promoter Group Entity by which the paid up equity share increased to 269,77,053 shares with a face value of ₹ 10 per share ; with promoters holding 58.88 % as on 31st March, 2017.

Reserves

Reserves increased to ₹ 1016.22 Crore as on 31st March, 2017 from ₹ 783.08 Crore as on 31st March, 2016. Free reserves constitute around 99.89% of the total reserves.

1697.04 cr.

IMFA' S REVENUE FROM OPERATIONS IN FY 2016-17

249.83 cr.

IMFA' S PROFIT AFTER TAX IN FY 2016-17

IMFA IS CURRENTLY FOCUSED ON PRODUCTION OF FERRO CHROME, A FERRO ALLOY THAT IMPARTS THE NON-CORROSIVE PROPERTY TO STAINLESS STEEL. AT PRESENT, MOST OF THE OUTPUT IS EXPORTED TO FAR EAST ASIA WHICH IS THE EPICENTRE OF STAINLESS STEEL PRODUCTION. IT HAS ACCESS TO **OVER 18 MILLION TONNES OF TOTAL ORE RESERVES.**

Long-term borrowings

Long-term borrowings stood at ₹ 759.70 Crore as on 31st March, 2017, compared to ₹ 813.46 Crore on the same date of the previous year, as detailed below:

₹ in Crore

	2016-17	2015-16
Long-term loans	601.75	647.11
Long-term maturities of finance lease obligations	30.95	31.49
Current maturities of long-term borrowings	126.46	134.37
Current maturities of finance lease obligations	0.54	0.46
Total	759.70	813.46

Application of funds

Gross block

The Company's gross block of property, plant & equipment increased to ₹ 1897.53 Crore as on 31st March, 2017 from ₹ 1855.45 Crore as on 31st March, 2016.

Capital work-in-progress

The Company's capital work-in-progress reduced to ₹ 56.45 Crore as on 31st March, 2017 from ₹ 60.46 Crore as on 31st March, 2016. This was owing to the commissioning of projects and capitalisation of various expansion activities.

RISK MANAGEMENT

IMFA is part of a highly cyclical industry where several risks threaten its sustainability. Taking all risks in its stride, the Company operates a proactive risk management process that involves:

1. IDENTIFY

2. EVALUATE

3. RESPOND

4. MONITOR

5. COMMUNICATE

IMFA has identified the following risks and their mitigation factors:

Industry Risk

Soft demand by stainless steel industry have the potential to affect sales

Stainless steel finds a wide range of applications in construction, automobile, chemical and house hold appliances industries. Increasing population coupled with rising economies is expected to boost the growth of the infrastructure sector. The construction industry alone consumes about 50% of the stainless steel manufactured. Changing lifestyles and increasing purchasing power is expected to boost overall demand for automobiles and white goods driving the demand for stainless steel further.

Raw Material Risk

Unavailability of raw material can be a major threat to the Company's production capacity

IMFA has mines in Sukinda, Mahagiri that provide an uninterrupted supply of ores for production. Further, the Company has progressed to mining underground which is more eco-friendly and efficient. Besides, the Company has 258 MW of power capacity for in-house consumption. It has long-standing contracts with vendors to supply other raw materials like low ash and low phos coke among others.

Regulatory Risk

Change in regulations or legislations may cause major hiccups for the Company

Delay in regulatory approvals or altered legislations have the potential to affect IMFA's business. Thus, the Company constantly keeps an eye on regulatory changes, closely monitoring the industry for statutory compliances and proactive steps to align its operations accordingly.

Operational Risk

Inefficient operations could influence production cost and affect competitive edge

IMFA carries out regular maintenance of equipment to avoid breakdowns. The Company also focuses on technology upgradation and process modifications to enhance efficiency. To reduce accidents, the Company employs many safety precautions.

Exchange Risk

Volatility in currency markets may bring down margins for IMFA

IMFA hedges export proceeds using different tactics like forward contracts and derivatives, among others. It believes long-term contracts and spot sales can optimise off-take and realisations.

Capital Risks

Poor allocation of capital may cause the business to miss out opportunities

IMFA allocates capital with due diligence. The effectiveness of each capital allocation strategy is constantly reviewed to study its impact on business profitability. Moreover, the Company is constantly bringing down debt levels to strengthen balance sheet enabling headroom for future growth.

HUMAN RESOURCE

At IMFA, we believe in promoting a culture of passion and commitment coupled with empowerment and accountability for our team. People at IMFA get opportunities to constantly upgrade their skills through various training programmes at all levels. At present, we run four training programmes focussing on Behavioural, Technical, Organisation and HSE.

Our institutionalised learning initiatives via different coaching and mentoring activities help us identify and nurture talent with high potential. Our Managerial

Development Programme is in place to increase core competencies of our mid-level managers. The programme helps them to take up more responsibilities and move up the ladder.

IMFA has a comprehensive rewards and recognition process to retain talented team members. Our management has faith that a transparent process for attracting, retaining and rewarding talent motivates and engages our workforce better. Employee engagement and motivation programmes like celebration of festivals, sporting events, and employee volunteer activities help us to stimulate our workforce better.

We promote gender equality at IMFA and have a policy in place to avoid harassment of women at workplace. We have established a committee based on Sexual Harassment of Women at the Work Place (Prevention, Prohibition & Redressal) Act, 2013. It attends complaint from female staff members and acts accordingly. It is a pleasure for us that in the year under review, we have not received any complaints of sexual harassment.

Our HR practices have resulted in low attrition rates which stood at 4.80% in FY 2016-17.

Aided by external consultants where appropriate, our 'Strategic Leadership Programme' for senior management and key executives at the next tier has resulted in an empowered leadership team. The TORI - Trust, Openness, Realisation and Interdependence - model used to bring about greater awareness and collaboration ties in well with the integrated nature of our business.

We are consistently upgrading our HR competencies on the ERP platform. Additionally, we are focusing on leadership training and cross-functional training to increase the efficiency of the workforce, going forward.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

IMFA is committed to conducting its activities in a manner that promotes the health and safety of its employees, assets and the public, as well as protection of the environment. The Company's Integrated Management System comprises of quality, environment and occupational health and safety certification.

Highlights of the year 2016-17 are as follows:

- Reviewed implementation of HSE initiatives and HSE performance by senior management monthly at worksites.
- Apex HSE Council chaired by Managing Director reviewed the HSE performance and approved HSE initiatives, KPI's and guidelines once in a quarter.
- Safety observation and interaction process, a new generation tool, has shown considerable reduction of unsafe acts and unsafe conditions at worksites resulting in significant reduction of injury incidents.
- Scheduled HSE inspections, audits, observations and interactions to identify HSE issues and implementing plans to eliminate such issues.
- Imparted need-based HSE training to the workforce. Topics related to environment are added to improve collective environmental awareness for protection of the environment.
- Focused on process safety. CO generation and utilisation process in Unit 1 Choudwar was subjected to process safety management system to ensure safe operation.
- Focused on behaviour based safety amongst the workforce.
- Production based incentives are predicated on zero fatality.
- Focused on contractor safety by implementing contract management process.
- HSE captains are nominated from various departments across IMFA to accelerate the journey of HSE excellence.
- Conducted third party safety audit across IMFA for a neutral view on our HSE management system. The audit report did not show any significant gaps in managing HSE.
- Implemented initiatives to keep air pollutants (PM10, PM2.5, SPM etc.) within limit.
- Introduced pressurised water sprinkler system at mines for haul road dust suppression.
- Choudwar Unit-II obtained Environmental Clearance as well as Consent to operate (CTO) for enhancement of production capacity from 76000 to 96000 TPA.
- Ambient Air Monitoring stations installed at Therubali to monitor ambient air quality like PM10, PM2.5, SO2 and NO2.
- Concrete road (740 meter) from railway siding to Therubali plant made to control road dust fugitive emission.
- Choudwar 120 MW power plant received Pollution Control Excellence award from State Pollution Control Board, Odisha.

INTERNAL CONTROL SYSTEMS

IMFA has a meticulous system of internal controls aimed at achieving optimum efficiency of resources and compliance of all existing laws. The internal control system safeguards the Company from loss or unauthorised use of its assets. An independent Chartered Accountant firm audits the internal functions of the Company. The Management and Audit Committee of the Board then suggests corrective measures based on the audit reports.

CAUTIONARY STATEMENTS

Certain statements in the Management Discussion and Analysis describing the Company's objectives and predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, exchange rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

DIRECTORS' REPORT

Your Directors hereby present the 55th Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

Amount in ₹ Crore

		FY 2016-17	FY 2015-16
1	Revenue from operations	1,697.04	1,226.53
2	Other Income	49.35	16.48
3	Total Revenue	1,746.39	1,243.01
4	Profit before finance cost, depreciation, taxation, prior period income and exceptional items	564.68	139.50
5	Finance Cost	86.33	83.61
6	Depreciation	108.69	114.05
7	Profit/(Loss) before Tax	369.66	(75.31)
8	Tax including Deferred Tax	119.83	(30.58)
9	Profit/(Loss) after Tax	249.83	(44.73)
10	Other Comprehensive Income/(Expenses)	0.17	(1.35)
11	Total Comprehensive Income /(Expenses) for the year	250.00	(46.08)

During the year under review, market conditions were extremely poor to begin with but improved dramatically in the second half with ferro chrome prices more than doubling resulting in a 38.36% increase in gross sales to a record ₹ 1,697.04 Crore (previous year: ₹ 1,226.53 Crore) including highest ever foreign exchange earnings of ₹ 1,447.37 Crore (previous year: ₹ 1,057.15 Crore). Similarly, EBIDTA before exceptional items surged by nearly 305% to ₹ 564.68 Crore (previous year: ₹ 139.50 Crore) and profit after tax stood at ₹ 249.83 Crore (previous year: Loss of ₹ 44.73 Crore).

INTERIM DIVIDEND

The Board of Directors in its meeting held on 7th February, 2017 had approved payment of interim dividend of ₹ 10/- per Equity Share (@ 100%) on 2,69,77,053 Equity Shares of the Company of face value of ₹ 10/- each fully paid-up, out of the profits for FY 2016-17. Interim dividend was paid to the shareholders as per their shareholding in the Company as on 15th February, 2017 (Record Date).

FINAL DIVIDEND

In view of the excellent performance during the year under review, in addition to interim dividend, your Directors are pleased to recommend a final dividend of ₹ 10/- per equity share of face value of ₹ 10 each for the year ended 31st March, 2017, subject to approval of shareholders at the forthcoming Annual General Meeting of the Company. Final dividend, if approved by the shareholders, taken together with the interim dividend, will amount to total dividend of ₹ 20/- per equity share for FY 2016-17.

CHANGE IN CAPITAL STRUCTURE

During the year under review, the Company made preferential issue of 10,00,000 Warrants converted into equivalent number of equity shares of ₹ 10 each to Promoter group entity at ₹ 165/– each (including premium of ₹ 155/– each) as per the SEBI (ICDR) Regulations and other applicable provisions of the Companies Act, 2013. The entire issue proceeds were utilised for working capital requirements and other general corporate purpose. Consequent upon preferential issue of equity shares, the paid up share capital of the Company has been increased from ₹ 25,97,70,530/– (2,59,77,053 equity shares of ₹ 10/– each) to ₹ 26,97,70,530 (2,69,77,053 equity shares of ₹ 10/– each).

STATE OF COMPANY'S AFFAIRS

Ferro Alloys

The production of ferro chrome during the year under review increased by 24.68% to 235,460 tonnes (previous year: 188,849 tonnes) which is the highest ever recorded. This was due to better operating parameters and furnace availability throughout the year.

Electricity

During the year under review your Company generated 1036.88 MU's of electricity (previous year: 857.99 MU's) in accordance with higher captive requirement. Electricity generation too is the highest ever in the history of the Company, crossing 1000 MU's for the first time.

Mining

Chrome Ore production during the year under review was also highest ever at 545,111 tonnes as compared to 359,468 tonnes during the previous year.

It is pertinent to note here that your Company has consistently followed in letter and spirit the practice of value addition and limited ore raising from its captive mines to that required for captive consumption thus maximising contribution to the exchequer.

EXTRACT OF THE ANNUAL RETURN

An extract of annual return for the financial year ended on 31st March, 2017 in Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached as **Annexure-1**.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times in FY 2016-17 viz. on 17th May, 2016, 24th June, 2016, 26th July, 2016, 24th October, 2016 and 7th February, 2017. The maximum interval between any two meetings did not exceed 120 days. The details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings are provided in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions under section 134(5) of the Companies Act, 2013, your Directors hereby confirm:

(i) that in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards read with requirements set out under Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

(ii) that they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year under consideration;

(iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(iv) that they have prepared the annual accounts of the Company for the financial year ended 31st March, 2017 on a going concern basis;

(v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) that they had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Independent Directors have given declaration that they meet the criteria specified under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is attached as **Annexure-2** to this Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s Haribhakti & Co.LLP., Chartered Accountants, (Firm Registration No.103523W) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 57th Annual General Meeting to be held in the calendar year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Haribhakti & Co.LLP., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders.

There are no qualifications, reservations or adverse remarks or disclaimers made in their audit report.

Secretarial Auditor

The Company has appointed M/s Sunita Mohanty & Associates, Company Secretaries to conduct secretarial audit and their Report on Company's Secretarial Audit is appended to this Report as **Annexure-3**.

There are no qualifications, reservations or adverse remarks or disclaimers made in their secretarial audit report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of loans and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements forming part of Annual Report. The Company has not provided any guarantees during the Financial Year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts/arrangements/ transactions which are not at arm's length basis and there are no material contracts/ arrangements/transactions which are at arm's length basis.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

ENERGY CONSERVATION, ETC.

The information required under section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are set out in **Annexure-4** hereto forming part of this report.

RISK MANAGEMENT POLICY

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. All identified risks are categorised based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to the extent possible. Major risks in particular are monitored regularly at meetings of the Executive Risk Committee and the Board of Directors of the Company is kept abreast of such issues.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year as per Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure-5** to this Report.

ANNUAL EVALUATION BY THE BOARD

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i) Attendance of Board Meetings and Board Committee Meetings

ii) Quality of contribution to Board deliberations

iii) Strategic perspectives or inputs regarding future growth of Company and its performance

iv) Providing perspectives and feedback going beyond information provided by the management

v) Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013

Pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the ratio of remuneration of each director to the median employee's remuneration and such other details are furnished below:

i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio	Name of the Director	Ratio
Dr B Panda	208:1	General Shankar Roychowdhury(Retd)	1.77:1
Baijayant Panda	212:1	Major R N Misra(Retd)	1.89:1
Subhrakant Panda	220:1	Dr S Acharya	1.81:1
J K Misra	33:1	S P Mathur	1.85:1
C R Ray	20:1	S Nautiyal	1.77:1
Paramita Mahapatra	0.27:1	Stefan Georg Amrein	0.06:1
D Bandyopadhyay	1.81:1	Bijoy Kumar Das	1.84:1
N R Mohanty	1.86:1		

ii) the percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary and Chief Executive Officer, in the financial year:

Name of the Director	% increase	Name of the Director/CFO & CS	% increase
Dr B Panda	384	General Shankar Roychowdhury (Retd)	4167
Baijayant Panda	373	Major R N Misra(Retd)	1042
Subhrakant Panda	331	Dr S Acharya	524
J K Misra	76	S P Mathur	1575
C R Ray	19	S Nautiyal	3100
Paramita Mahapatra	-	Stefan Georg Amrein	-
D Bandyopadhyay	4266	Bijoy Kumar Das	13200
N R Mohanty	4400	Prem Khandelwal, CFO&CS	2

iii) the percentage increase in the median remuneration of employees in the financial year: 7.92

iv) the number of permanent employees on the rolls of company: 2380

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

Average percentile increase in the salaries of employees other than the managerial personnel : 38th
Percentile increase in the managerial remuneration : 49th

vi) The Nomination and Remuneration Committee of the Company has affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

PARTICULARS OF EMPLOYEES

The information on employees who were in receipt of remuneration of not less than Rupees One Crore and two lakhs during the financial year or Rupees Eight Lakh Fifty Thousand per month during any part of the said year as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said statement is also open for inspection at the Registered Office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

PUBLIC DEPOSITS

The Company has not accepted/renewed any public deposits during the year under review under Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014. There are no deposits that remain unclaimed.

WHISTLE BLOWER POLICY

The Company has formulated a Whistle Blower Policy for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs Paramita Mahapatra and Mr Jayant Kumar Misra, Directors retire by rotation at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

Resolutions seeking approval of the members have been incorporated in the notice of the forthcoming Annual General Meeting. Brief resumé/details relating to Directors who are to be appointed/re-appointed are furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting as required under the Code of Corporate Governance.

DISCLOSURE WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Listing Regulations details in respect of the shares lying in the Indian Metals & Ferro Alloys Limited – Unclaimed Suspense Account (Promoter group & Non-promoter group) till 31st March, 2017 are as under:

Sl.No.	Description	No of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 1st April, 2016	7027	109037
(ii)	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year 2016-17	18	104
(iii)	Number of shareholders to whom shares were transferred from unclaimed suspense account during the year 2016-2017	18	104
(iv)	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 31st March, 2017	7009	108933

All the corporate benefits in terms of securities accruing to on these unclaimed shares shall be credited to the aforesaid account. Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a comprehensive system of internal controls that enables efficient operations, optimal resource utilisation and compliance with all applicable laws and regulations. Each of these internal controls strengthens the Company and protects loss or unauthorised use of assets by providing adequate checks and balances. The Company authorises, records and reports all transactions. An independent firm of Chartered Accountants serves as the internal auditor to execute the internal audit functions. The Management and Audit Committee of the Board observes and then recommends corrective measures following such audits to improve business operations.

CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a report on the Corporate Governance, Management Discussion and Analysis, Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance have been made a part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

HOLDING COMPANY

Pursuant to the order of Hon'ble High Court of Orissa, Cuttack dated 7th October, 2016 sanctioning the Composite Scheme of Arrangement between B.Panda and Company Private Limited **(Tansferee & Demerged Company)** and Barabati Investment & Trading Co. Private Limited, Indmet Commodities Private Limited, K. B. Investments Private Limited, Madhuban Investments Private Limited, Paramita Investments & Trading Company Private Limited (collectively referred to as the **"Transferor Companies"** and individually referred to as a **"Transferor Company"**), Utkal Real Estate Private Limited, Barabati Realtors Private Limited, BP Developers Private Limited (collectively referred to as the **Resulting Companies"** and individually referred to as a **"Resulting Company"**) and their respective shareholders, Transferor Companies got merged with the Transferee Company effective 22nd November, 2016. Thereafter separate undertakings except the Company's shares were transferred from the Demerged Company to the Resulting Companies. Further consequent upon the issue of 10,00,000 equity shares to Promoter Group entity on preferential basis B. Panda and Company Private Limited holds 51.59% equity shares in the Company and became the holding company.

SUBSIDIARY/JOINT VENTURE COMPANIES

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement is attached as **Annexure-6**.

INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's manufacturing/ operational complexes located at different sites remained cordial.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation of the exemplary service rendered by the entire workforce during the year under review. Further, your Directors would also like to appreciate the support received from Term Lenders and Working Capital Bankers. Last but certainly by no means least, your Directors would like to thank shareholders, customers, Government and the public at large for their continued support and confidence.

For and on behalf of the Board

Place: Bhubaneswar
Date: 18th May, 2017

Subhrakant Panda
Managing Director

Jayant Kumar Misra
Director(Corporate) & COO

ANNEXURE-1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	**L27101OR1961PLC000428**
2	Registration Date	20-11-1961
3	Name of the Company	INDIAN METALS AND FERRO ALLOYS LTD
4	Category/Sub-category of the Company	Company limited by shares
		Indian Non-Government Company
5	Address of the Registered office & contact details	IMFA BUILDING BOMIKHAL, RASULGARH, BHUBANESWAR,ODISHA INDIA - 751010
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Ferro Chrome/ Ferro Alloys	2711	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	IMFA Alloys Finlease Limited	U65990OR2009PLC011366	Subsidiary	76	Section 2(87)(ii)
2	Indian Metals And Carbides Limited	U27209OR1973PLC000598	Subsidiary	99.99	Section 2(87)(ii)
3	Utkal Coal Limited	U74899DL1998PLC068120	Subsidiary	79.2	Section 2(87)(ii)
4	Utkal Green Energy Limited	U01112OR2007PLC009115	Subsidiary	100	Section 2(87)(ii)
5	Utkal Power Limited	U40101OR2004PLC007590	Subsidiary	100	Section 2(87)(ii)
6	Indmet Mining Pte Ltd (Singapore)		Subsidiary	100	Section 2(87)(ii)
7	Pt Sumber Rahayu Indah (Indonesia)		Subsidiary	70	Section 2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01st April, 2016]				No. of Shares held at the end of the year [As on 31st March, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	1,075,749		1,075,749	4.14%	1,075,749		1,075,749	3.99%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.	13,126,124		13,126,124	50.53%	14,526,124		14,526,124	53.85%	10.67%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other (Trust)	12,444		12,444	0.05%	12,444		12,444	0.05%	0.00%
Sub Total (A) (1)	14,214,317	-	14,214,317	54.72%	15,614,317	-	15,614,317	57.88%	9.85%
(2) FOREIGN									
a) NRI Individuals	217,539		217,539	0.84%	217,539		217,539	0.81%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.	51,456		51,456	0.20%	51,456		51,456	0.19%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	**268,995**	**-**	**268,995**	**1.04%**	**268,995**	**-**	**268,995**	**1.00%**	**0.00%**
TOTAL (A)	**14,483,312**	**-**	**14,483,312**	**55.75%**	**15,883,312**	**-**	**15,883,312**	**58.88%**	**9.67%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,731,849	3,175	2,735,024	10.53%	2511515		2,511,515	9.31%	-8.17%
b) Banks / FI	85,009	70	85,079	0.33%	7307		7,307	0.03%	-91.41%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs	13		13	0.00%	7726		7,726	0.03%	59330.77%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	**2,816,871**	**3,245**	**2,820,116**	**10.86%**	**2,526,548**	**-**	**2,526,548**	**9.37%**	**-10.41%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	782,512	40,790	823,302	3.17%	748,146		748,146	2.77%	-9.13%
ii) Overseas	3,844,259	1,790,500	5,634,759	21.69%	3,444,259	1790500	5,234,759	19.40%	-7.10%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,109,276	229,943	1,339,219	5.16%	1,492,089		1,492,089	5.53%	11.41%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	519,377	31,519	550,896	2.12%	716,950		716,950	2.66%	30.14%
c) Others (specify)									
Non Resident Indians	191,111	18,324	209,435	0.81%	236,261		236,261	0.88%	12.81%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals	53		53	0.00%	53		53	0.00%	0.00%
Clearing Members	38,745		38,745	0.15%	16,182		16,182	0.06%	-58.23%
Trusts	20		20	0.00%	60		60	0.00%	200.00%
HUF	77,196		77,196	0.30%	94,252		94,252	0.35%	22.09%
Foreign Bodies - D R			-	0.00%	28,441		28,441	0.11%	0.00%
Sub-total (B)(2):-	**6,562,549**	**2,111,076**	**8,673,625**	**33.39%**	**6,776,693**	**1,790,500**	**8,567,193**	**31.76%**	**-1.23%**
Total Public (B)	**9,379,420**	**2,114,321**	**11,493,741**	**44.25%**	**9,303,241**	**1,790,500**	**11,093,741**	**41.12%**	**-3.48%**
C. Shares held by Custodian for GDRs & ADRs			**-**	**0.00%**				**0.00%**	**0.00%**
Grand Total (A+B+C)	**23,862,732**	**2,114,321**	**25,977,053**	**100.00%**	**25,186,553**	**1,790,500**	**26,977,053**	**100.00%**	**6.19%**

(ii) Shareholding of Promoter

SN.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Banshidhar Panda	422,100	1.62%		422,100	1.56%		0.00%
2	Baijayant Panda	217,539	0.84%		217,539	0.81%		0.00%
3	Paramita Mahapatra	218,015	0.84%		218,015	0.81%		0.00%
4	Subhrakant Panda	218,095	0.84%		218,095	0.81%		0.00%
5	Nivedita Ganapathi	217,539	0.84%		217,539	0.81%		0.00%
6	B Panda And Company Pvt Ltd	1,109,514	4.27%		13,918,046	51.59%		1154.43%
7	Barabati Investment And Trading Co Pvt Ltd	2,634,778	10.14%		-	0.00%		-100.00%
8	K B Investments Pvt Ltd	25,161,401	96.86%		-	0.00%		-100.00%
9	Madhuban Investments Pvt Ltd	2,395,696	9.22%		-	0.00%		-100.00%
10	Paramita Investment And Trading Co Pvt Ltd	2,634,778	10.14%		-	0.00%		-100.00%
11	Indmet Commodities Private Ltd	1,226,879	4.72%		-	0.00%		-100.00%
12	Utkal Manufacturing And Services Ltd	608,078	2.34%		608,078	2.25%		0.00%
13	Subhrakant Panda, Managing Trustee, Shaisah Foundation	12,444	0.05%		12,444	0.05%		0.00%
14	Indian Metals & Ferro Alloys Ltd Unclaimed Suspense Account- Promoter Group	51,456	0.20%		51,456	0.19%		0.00%

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

SN.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01-04-2016		14,483,312	55.75%	14,483,312	53.69%
	Changes during the year	12-09-2016	Transfer	400,000	1.54%	14,883,312	55.17%
		09-12-2016	Allot	1,000,000	3.85%	15,883,312	58.88%
	At the end of the year	31-03-2017		-	-	15,883,312	58.88%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Litec Company Limited**						
	At the beginning of the year			3,844,259	14.80%	3,444,259	12.77%
	Changes during the year	12-09-2016	Transfer		-	(400,000)	-1.48%
	At the end of the year				-	3,444,259	12.77%
2	**Fox Consulting Services Pte Ltd**						
	At the beginning of the year			1,790,500	6.89%	1,790,500	6.64%
	Changes during the year				-		0.00%
	At the end of the year				-	1,790,500	6.64%
3	**Reliance Capital Trustee Co Ltd**						
	At the beginning of the year			2,260,359	8.70%	1,729,374	6.41%
	Changes during the year	30-06-2016	Transfer		-	(530,985)	-1.97%
	At the end of the year				-	1,729,374	6.41%
4	**ICICI Prudential Infrastructure Fund**						
	At the beginning of the year			327,092	1.26%	-	0.00%
	Changes during the year	04-11-2016	Transfer		-	(327,092)	-1.21%
	At the end of the year				-	-	0.00%

SN.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
5	**Shah Jyotindra Ramniklal**						
	At the beginning of the year			313,379	1.21%	286,500	1.06%
	Changes during the year	16-12-2016	Transfer		-	(26,879)	-0.10%
	At the end of the year				-	286,500	1.06%
6	**Westend Propmart Pvt Ltd**						
	At the beginning of the year			180,220	0.69%	111,219	0.41%
	Changes during the year	21-10-2016	Transfer		-	(69,001)	-0.26%
	At the end of the year				-	111,219	0.41%
7	**Minix Holdings Pvt Ltd**						
	At the beginning of the year			149,486	0.58%	50,000	0.19%
	Changes during the year	31-12-2016	Transfer		-	(99,486)	-0.37%
	At the end of the year				-	50,000	0.19%
8	**ICICI Prudential Value fund Seris 3**						
	At the beginning of the year			142,606	0.55%	-	0.00%
	Changes during the year	11-11-2016	Transfer		-	(142,606)	-0.53%
	At the end of the year				-	-	0.00%
9	**Srei Infratstructure Finance Limited**						
	At the beginning of the year			119,615	0.46%	35,580	0.13%
	Changes during the year	06-01-2017	Transfer		-	(84,035)	-0.31%
	At the end of the year				-	35,580	0.13%
10	**Reliance Life Insurance Company Ltd**						
	At the beginning of the year			108,919	0.42%	-	0.00%
	Changes during the year	08-04-2016	Transfer		-	(108,919)	-0.40%
	At the end of the year				-	-	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Banshidhar Panda**						
	At the beginning of the year			422,100	1.62%	422,100	1.56%
	Changes during the year	-	-		-		-
	At the end of the year				-	422,100	1.56%
2	**Baijayant Panda**						
	At the beginning of the year			217,539	0.84%	217,539	0.81%
	Changes during the year	-	-		-		-
	At the end of the year				-	217,539	0.81%
3	**Subhrakant Panda**						
	At the beginning of the year			218,095	0.84%	218,095	0.81%
	Changes during the year	-	-		-		-
	At the end of the year				-	218,095	0.81%
4	**Paramita Mahapatra**						
	At the beginning of the year			218,015	0.84%	218,015	0.81%
	Changes during the year	-	-		-		-
	At the end of the year				-	218,015	0.81%
5	**Jayant Kumar Misra**						
	At the beginning of the year			100	0.00%	100	0.00%
	Changes during the year	-	-		-		-
	At the end of the year				-	100	0.00%
6	**Chitta Ranjan Ray**						
	At the beginning of the year			46	0.00%	46	0.00%
	Changes during the year	-	-		-		-
	At the end of the year				-	46	0.00%
7	**Prem Khandelwal**						
	At the beginning of the year			240	0.00%	240	0.00%
	Changes during the year	-	-		-		-
	At the end of the year				-	240	0.00%

V. INDEBTEDNESS

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

(Amt. ₹/Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,001.07	-	-	1,001.07
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.17	-	-	3.17
Total (i+ii+iii)	**1,004.24**	**-**	**-**	**1,004.24**
Change in Indebtedness during the financial year				
* Addition	140.85	-	-	140.85
* Reduction	(218.28)			(218.28)
Net Change	(77.43)	-	-	(77.43)
Indebtedness at the end of the financial year				
i) Principal Amount	925.07		-	925.07
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.74			1.74
Total (i+ii+iii)	**926.81**	**-**	**-**	**926.81**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					
	Name	**Dr Bansidhar Panda**	**Mr Baijayant Panda**	**Mr Subhrakant Panda**	**Mr J K Misra**	**Mr C R Ray**	**Total Amount**
	Designation	**Executive Chairman**	**Vice - Chairman**	**Managing Director**	**Director (Corporate) & COO**	**Whole-time Director**	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,320,000	15,480,000	18,336,000	5,070,156	5,059,596	60,265,752
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	211,565	2,417,700	2,417,490	6,695,841	2,166,892	13,909,488
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	58,726,400	58,726,400	58,726,400	-	-	176,179,200
	- others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	75,257,965	76,624,100	79,479,890	11,765,997	7,226,488	250,354,440
	Ceiling as per the Act	Within the ceiling of Section II of Part II of Schedule V of the Companies Act, 2013 and within the ceiling of Central Government Approval.			Within the ceiling of Section II of Part II of Schedule V of the Companies Act, 2013.		

B. Remuneration to other Directors

(₹)

SN.	Particulars of Remuneration	Name of Directors						
1	**Independent Directors**							Total Amount
A	Independent Directors	Dr S Acharya	Major R N Misra	Mr D Bandyopadhyay	Mr N R Mohanty	General S Roychowdhury	Mr S Nautiyal	
	Fee for attending board committee meetings	30,000	60,000	30,000	50,000	15,000	15,000	200,000
	Commission	625,000	625,000	625,000	625,000	625,000	625,000	3,750,000
	Others, please specify	-	-	-	-	-	-	-
	Total (A)	**655,000**	**685,000**	**655,000**	**675,000**	**640,000**	**640,000**	**3,950,000**
B	**Independent Directors**	Mr Sudhir Prakash Mathur	Mr Bijoy Kumar Das					
	Fee for attending board committee meetings	45,000	40,000					85,000
	Commission	625,000	625,000					1,250,000
	Others, please specify		-					-
	Total (B)	**670,000**	**665,000**					**1,335,000**
	Total (A+B)							**5,285,000**
2	**Other Non-Executive Directors**	Mrs Paramita Mahapatra	Mr Stefan Georg Amrein					-
	Fee for attending board committee meetings	100,000	25,000		-	-		125,000
	Commission	-	-			-		-
	Others, please specify	-	-			-		-
	Total (2)	**100,000**	**25,000**		**-**	**-**	**-**	**125,000**
	Total (B)=(1+2)							**5,410,000**
	Total Managerial Remuneration							**255,764,440**
	Overall Ceiling as per the Act	Yes	Yes		Yes	Yes	Yes	Yes

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

(₹)

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	Mr Prem Khandelwal	
	Designation	CFO & Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,001,714	5,001,714
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	232,560	232,560
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	641,520	641,520
	Total	5,875,794	5,875,794

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	-	NA	-	NA	NA
Punishment	-	NA	-	NA	NA
Compounding	-	NA	-	NA	NA
B. Directors					
Penalty	-	NA	-	NA	NA
Punishment	-	NA	-	NA	NA
Compounding	-	NA	-	NA	NA
C. Other Officers In Default					
Penalty	-	NA	-	NA	NA
Punishment	-	NA	-	NA	NA
Compounding	-	NA	-	NA	NA

NOTE:-
"NA" Stands for Not Applicable

ANNEXURE-2
Nomination and Remuneration Policy

1. PREAMBLE
Section 178 of the Companies Act, 2013 read with applicable rules made thereunder and Clause 49 of the Listing Agreement requires the Nomination & Remuneration Committee to formulate a policy relating to appointment, remuneration, retirement and removal of Director(s)/Key Managerial Personnel (KMPs) and Senior Management Personnel. This policy has been formulated in compliance with the above regulations.

2. DEFINITIONS
2.1 **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2 **Board** means Board of Directors of the Company.

2.3 **Directors** mean Directors of the Company.

2.4 **Key Managerial Personnel (KMP) means**

2.4.1 **Chief Executive Officer or the Managing Director or the Manager;**

2.4.2 **Whole-time director;**

2.4.3 **Chief Financial Officer;**

2.4.4 **Company Secretary; and**

2.4.5 **such other officer as may be prescribed.**

2.5 **Senior Management** means personnel of the Company excluding the Board of Directors and KMPs upto the level of Functional Heads.

3. POLICY ON BOARD DIVERSITY
The Board of Directors shall have the optimum combination of Directors including one woman Director from different areas / fields like Production, Management, Quality Assurance, Finance, Sales & Marketing, Supply Chain, Research & Development, Human Resources, etc or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

4. POLICY FOR APPOINTMENT, REMUNERATION, RETIREMENT AND REMOVAL OF DIRECTOR(S) AND KMP(S)

4.1 Appointment criteria and qualifications
a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his / her appointment.

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

c) The Company shall not appoint or continue the employment of any person as Managing / Whole-time Director who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (seventy) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 (seventy) years.

4.2 Term / Tenure
a) **Managing Director/Whole-time Director:**
The Company shall appoint or re-appoint any person as its Managing/ Whole-time Director for a term not exceeding 5 (five) years at a time. No re-appointment shall be made earlier than 1 (one) year before the expiry of term.

b) **Independent Director:**
- An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. 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.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

4.3 Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the Act.

4.4 Retirement

The KMPs who are not Directors shall retire as per the prevailing policy of the Company. The Board will have the discretion to retain the KMP in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, on the recommendation of Managing Director.

4.5 Remuneration

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director or KMP to the Board for their approval as per the provisions of the Act / Policy of the Company. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors or KMPs of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

5. POLICY FOR APPOINTMENT, REMUNERATION, RETIREMENT AND REMOVAL OF SENIOR MANAGEMENT PERSONNEL

5.1 Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment at Senior Management level and recommend to the Board his / her appointment.

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

5.2 Retirement & Removal

The Senior Management Personnel shall retire as per the prevailing policy of the Company. The Committee will have the discretion to retain the Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company based on the recommendation of Managing Director.

The Senior Management Personnel shall be removed after taking appropriate disciplinary action due to any breach of code of conduct / ethics and/or any misconduct during the service.

5.3 Remuneration

The Committee will recommend the remuneration to be paid to the Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Senior Management of the quality required to run the Company successfully. The same should be reviewed periodically to make any adjustment based on the market.

The remuneration of such persons shall be in accordance with performance criteria defined for the role through performance management system to achieve the Company's goal. The remuneration should be a balance of fixed and incentive pay which will be determined by fixed pay components and Executive Incentives scheme applicable to their level.

ANNEXURE-3

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

[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
Indian Metals and Ferro Alloys Limited
IMFA Building, Bomikhal
Rasulgarh, Bhubaneswar-751010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Metals & Ferro Alloys Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms, and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes listed and compliance –mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by Indian Metals & Ferro Alloys Limited ("the company") for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

iv. Foreign Exchange Management Act,1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period)

e. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit period)

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 the Companies Act and dealing with Client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period) and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during audit period)

vi. The Employees Provident Fund and Miscellaneous Provisions Act, 1952, other applicable Labour Laws;

vii. The applicable environmental laws and laws specifically applicable to the Company like :

a. Mines Act, 1952;

b. Mines Rules, 1955;

c. Mines and Minerals (Development & Regulation) Act, 1957;

d. Orissa Minerals (Prevention of theft, Smuggling & Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007;

e. Mines Rescue Rules, 1985;

f. Metalliferous Mines Regulations, 1961;

g. The Maternity Benefits Act, 1961;

h. The Maternity Benefit (Mines & Circus) Rules, 1963.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Listing agreements with BSE and NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that

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

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

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

For Sunita Mohanty & Associates
Company Secretaries
Name of Company Secretary in practice:
CS Jyotirmoy Mishra
FCS No.: 6556
C P No: 6022

Place: Bhubaneswar
Date: 18th May, 2017

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

ANNEXURE A

To,
The Members
Indian Metals and Ferro Alloys Limited
IMFA Building, Bomikhal,
Rasulgarh, Bhubaneswar-751010

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. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we 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 the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Sunita Mohanty & Associates, Company Secretaries
Name of Company Secretary in practice: **CS Jyotirmoy Mishra**
FCS No.: 6556
C P No: 6022

Place: Bhubaneswar
Date: 18th May, 2017

ANNEXURE-4

Particulars required under section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on Conservation of Energy

Choudwar:

(a) 26 Nos of 42 watt LED lamps fitting,110 Nos of 9 Watt LED Lamps fitting & 25 Nos of 25 Watt LED lamps fitting were used in place of 70 watt HPSV lamp in 30 MW Power Plant &120 MW PP. 10 Nos of 9 Watt LED lights were used in place of 42 HPSV Lamp in 30 MW PP. 5 Nos of 100 Watt LED Lamps fitting & 42 Nos of 150 Watt LED lamp fittings were used in place of 250 Watt MH Lamp in 30 MW PP &120 MW PP. 3 Nos of 72 Watt LED Lamps fitting & 3 Nos of 100 Watt LED lamp fittings were used in place of 150 Watt street light fittings in 120 MW PP. As a result of the above total Energy Saving: 58,569 Kwh/year.

(b) 3 nos of Main Cooling Tower existing fan blades & hubs of 120 MW PP were replaced with energy efficient fan blades & hubs, which resulted in power saving by 15%. Energy Saving: 1,11,117 Kwh/Year.

(c) Interconnection of ash conveying compressor with service air compressor in 120MW PP, which resulted in stoppage of service air compressor of 110 KW. Energy Saving: 4, 53,600 Kwh/Year.

(d) Interconnection of river water intake pipe line with raw water pump discharge pipe line in 120 MW PP so that water can directly cater to pre-treatment plant which was fed through raw water discharge pump, which in turn resulted in stoppage of raw water discharge pump of 45KW. Energy Saving: 1, 26,000 Kwh/Year.

(e) Service water which was used in chemical handling area is connected with MCT make up line which in turn resulted in stoppage of service water pump of 5.5 KW. Energy Saving: 30,492 Kwh/Year.

(f) With upgradation of ash handling plant in both the boilers of 120 MW PP which resulted stopping of two ash handling compressors and power saving of 350 KW. Energy Saving: 27, 72,000 Kwh/Year.

(g) Total 155 nos. of MH light fittings replaced with equal number of LED fittings at Unit I & II. Energy Saving: 199.59 Mwh/year.

(h) Total 17 nos. fan impeller Aluminium blades replaced with FRP blades at Unit II. Energy Saving: 484.72 Mwh/year.

(i) In Briquette plant - 2, BC-3 conveyor was completely removed from the system by fixing a newly fabricated chute for discharging the friable to ground floor directly to an area constructed with three sides RCC wall which has resulted an energy saving of 19.536 Mwh per annum.

Therubali

As an energy conservation drive, around 3323 KWH saved during the year by replacing high wattage metal halide, Mercury Vapour, Fluorescent and Incandescent lamps with low wattage CFL & LED lamps. Six continual improvement initiatives have been taken up towards energy conservation drive, resulting in saving of 35000 KWH/year.

Mines: Sukinda Mines Chromite (SMC), Mahagiri Mines Chromite (MMC) & Nuasahi Mines Chromite (NCM)

(a) Providing LED flood lights, street lights, bulbs and tube lights in Opencast mines, Surface operation areas, colony, guest house, temple and new buildings to reduce power consumption at SMC, MMC & NCM.

(b) Maintaining power factor up to 0.98 by using APFCR panel at SMC, MMC & NCM.

(c) Automatic operation of 3 HP pump at -45mrl to avoid overflow of water, hence reducing operating hours of 120 HP pump at -165 mRL at NCM.

(d) Installation of high voltage & low voltage alarm system to avoid frequent tripping of NESCO incoming Feeder at NCM.

(e) Replacement of 30 HP Electric pump (30 meter head, 50lps discharge) at sump near magazine replacing 60 HP diesel pump having 50 meter head with same discharge at SMC.

(f) Erection and commissioning of 250 KVA new Sub-station at Band-II area. This facilitates to avoid drop of voltage for ETP operation, which in turn saves energy at SMC.

(g) New Air-Blower installed at sludge tank of ETP, for smooth and efficient operation of sludge pump at SMC.

(h) Alarm system provided to indicate CESU power availability so as to stop the DG immediately, which reduces unnecessary diesel consumption at MMC.

(i) Replaced 175HP multiple pumps by a single 120HP pump at underground mine. Increase in efficiency and reduced operating hours of 120HP pump at MMC U/g. And also provide auto-tripping to shutdown of pump when water level get down at MMC.

(j) Installation and commissioning of new 3.5 Core, 400 Sq.mm AL power cable and 1000Amp PCC panel at +55 mRL of MMC underground to provide stable power supply and to avoid voltage drop at MMC.

(ii) Steps taken by the Company for utilising alternate sources of energy.

Therubali:

A 3 MW Solar power plant erection is in progress at Therubali. Besides this, plans to install two other roof top solar plants of 30 KW & 40KW currently under consideration.

Mines:

(a) Budget Provision for 50 KW Grid Interactive Rooftop Solar Power plant for SMC.

(b) Budget Provision for 200 KW Grid Interactive Rooftop Solar Power plant for MMC.

(iii) Capital investment on energy conservation equipments

₹ 60.52 Lakh at Choudwar, ₹ 50.31 Lakh at SMC and ₹ 14.48 Lakh at MMC.

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption

Choudwar:

(a) To enhance the life of embedded tube by design change from protection shield to studded type with special grade of refractory to give protection against erosion in 30 MW PP which in turn will enhance boiler availability.

(b) Fugitive dust emission was eliminated which was observed during unloading of Bottom Ash from drag chain conveyor to surge hopper by covering, sealing and connecting to Air pre-heater line which is under vacuum during operation.

(c) Use of clarified water instead of raw water as Main cooling tower make up to reduce condenser fouling and to sustain improved vacuum in condenser by interconnecting clarified water line and raw water make up line, utilising idle hours of clarification plant.

(d) Modification of 3 no's of ACW Pumps at 120 MW PP have been done to prevent Frequent line shaft failure.

(e) CCP-3 furnace freeze lining completed on 12th April, 2016. By doing this type of lining Furnace inside volume increased which has allowed to operate the furnace at higher load & produce more quantity. This type of freeze lining life will be more and safer compared to conventional lining.

Mines:

(a) Installation of eye wash shower at Quality Control Lab & Effluent Treatment Plant at SMC for protecting eyes from any foreign material.

(b) Using Scaffolding, safety net, fall arrestor & rescue kit for working at height at SMC, MMC & Mahagiri Enclave.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution

Choudwar:

(a) 100% use of the Cast Steel ladle at CCP – 1, 2 & 3 furnace by eliminating MS ladle. This has resulted in 100% saving of LDO & saving in consumption of refractory materials like castable, fire clay bricks etc.

(b) At CCP-I, Excavator is in use at furnace cast house for lifting the metal bed and cleaning the slag granulation pit including slag pouring launder. After each tapping the liquid slag ladle/slag pot is handled with EOT crane and granulated in granulation pit by pouring through launder. Slag pouring launder of granulation pit is cleaned by Excavator/Poclain after each tapping & made ready for next pouring. Width of the launder & its inclination was increased to allow slag pouring for two consecutive tapings without cleaning of launder after each pouring. Reduction in launder cleaning is resulted in reduction of operating hours of Excavator/Poclain.

(c) Capacity of Lime storage silo of Briquette Plant-II was not sufficient for production of briquette by feeding lime in one shift. Silo capacity has been increased to accommodate lime quantity required for one day briquette production. This has resulted in reduction of Lime feeding time from two shifts to one shift and reduced man power cost.

(d) Earlier there were two battery banks provided for each furnace at Unit – II since inception to supply uninterrupted 110 V DC power for instrument operation. Now the battery bank of CCP – II was removed and new UPS unit has been installed to supply DC power to CCP II & III furnace instrument operation with interchangeable facility to supply DC power from existing battery bank of CCP -III and through UPS as per requirement. This has resulted elimination of CCP-2 battery bank.

(e) At Unit- I&II, Refractory nozzles are being used in ladle bottom pouring process. In each tapping one nozzle is getting damaged & discarded at every furnace. To convert the waste into wealth, explored the market and identified the vendors to sale the discarded nozzles. Now the discarded nozzles are collected from cast house, stored in a designated place and declared as scrap to facilitate sale through Supply Chain.

(f) SGL electrode paste is substituted by NDK Paste at EI-2&3 of CCP-2 furnace, which has resulted saving in cost of procurement and production.

(g) To reduce the quantity of mixed material at finished product, started manual segregation of free slag at product processing yard which has reduced the crushing quantity & increased Chromium content in sub-standard fines.

(h) Cast Steel ladle internal surface is required to be coated with lime before collection of liquid metal/slag for easy stripping of skull. Since many years the lime coating is done manually by mixing the hydrated lime with water. Manual lime coating is not uniform and causing problems in stripping the skull. Decided to mechanise the process of lime coating, developed a system in-house with a tank and compressed air connection and implemented at both Unit-I & II. The mechanised lime coating resulted uniform coating of entire internal surface of CS ladle and reduced the stripping problems to a maximum extent. Further it has eliminated the health hazard of workmen who are directly involved in lime coating and exposed to lime solution preparation.

(i) Failure rate of dome seal of dust conveying system at GCP II & III of Unit-II is higher due to wear & tear of OEM supplied seal made of rubber & unable to withstand abrasion & temperature. Same was replaced with new type silicon seal to withstand higher temperature & abrasion and resulted maintenance cost reduction.

(j) Frequent failure of Furnace stack damper valve position sensor of CCP-3 leads to lower availability of GCP. This problem happens due to sensors are electronic type & not able to withstand high temperature of stack. Same was replaced with new manual type limit switch which has resulted in cost saving and improved availability of GCP.

(k) At Unit-II GCP, one of the air compressor was frequently under breakdown due to malfunctioning of oil stop valve leading to increase in maintenance cost because of high cost of original equipment spare. The oil stop valve was replaced with low cost oil stop valve without affecting the performance of air compressor. This improvement has resulted saving in procurement cost.

(l) Revival of Boiler-1 of 108 MW PP by import substitute of LHS sealing blocks.

(m) Replacement of trommel screen drive unit (motor with gear box) of Chinese make by Indigenous premium make at 30 MW PP CHP.

(n) Replacement of belt conveyor drive unit (motor with gear box & pulley) of Chinese make by indigenous premium make at 30 MW PP CHP.

(o) Installation and commissioning of MICOM P-122, AREVA make motor protection relay in unit auxiliary transformer-1 by replacing Chinese relay in 30 MW PP.

Mines:

Subsequent to the study carried out through CIMFR with regard to stoping Parameters (Study project awarded in 2015-16), the dimension of the stope was increased from earlier conceptualised 18m in strike length to 54m long strike length. This resulted in significant saving in Mining cost, as development cost is reduced for Mahagiri Mines - U/G.

(iii) in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

(a) Technology imported : Nil

(b) Year of import : Nil

(c) Whether the technology been fully absorbed. Not Applicable

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof. Not Applicable

(iv) the Expenditure incurred on Research & Development:

(a) Blast Vibration Study to assess the vibrations induced by blasting of Stope at Mahagiri Mines (Chromite) by IIT, Kharagpur. – ₹ 2.91 Lakh.

(b) Scientific study for ascertaining the thickness of crown pillar below 85mRL up to -395mRL at different levels with stope height of 50m at Mahagiri Mines (Chromite) by CIMFR, Dhanbad. - ₹ 19.95 Lakh.

(c) Renewal of Slope Stability study of Opencast mine at Mahagiri Mines (Chromite) by CIMFR, Dhanbad - ₹ 4.96 Lakh.

(d) Consultancy during Erection, Operation of Back filling Plant, Backfilling & Monitoring of first Stope Block-5 at Mahagiri Mines (Chromite) by CIMFR, Dhanbad. – ₹ 30.95 Lakh.

(e) ₹ 4.21 Lakh has been incurred on monitoring of SMC over burden dump with reference to safety & stability by CIMFR, Dhanbad.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned (FOB value) and used

(₹ in Crore)

(a) Foreign Exchange earnings: 1432.08 (previous year: 1034.03)

(b) Foreign Exchange outgo: 238.00 (previous year: 249.73)

ANNEXURE-5

	ANNUAL REPORT ON CSR ACTIVITIES (2016-17)	
1	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes :	
	Kindly refer to the Corporate Social Responsibility Report published in this Annual Report and the Company's website: http://www.imfa.in/.	
2	The composition of the CSR Committee :	
	(i) Mr Subhrakant Panda, Managing Director (Chairman of the Committee)	
	(ii) Mrs Paramita Mahapatra	
	(iii) Mr B K Das and	
	(iv) Mr J K Misra	
3	Average net profit of the company for the last three financial years :	**₹ 0.19 Crore**
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above) :	**₹ 0.004 Crore**
5	Details of CSR spent during the financial year :	
	(a) Total amount to be spent for the financial year :	**₹ 0.004 Crore**
	(b) Amount unspent if any :	**Nil**

(c) Manner in which the amount spent during the financial year is detailed below :

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	
S.No	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programmes (1) Local area or other (2) Specify the state and district where project or programme was undertaken**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes**		**Cumulative expenditure upto the reporting period**	**Amount spent : Direct or through implementing agency**	
					Direct expenditure on projects or programmes	Overheads		Implementing Agency	Direct
1	Social development by focusing on community development programmes involving health programmes, women & child care, safe water & sanitation, and malnutrition	Health Care & Community Development	State : Odisha District : Jajpur,Cuttack & Rayagada	0.40	0.56	----	0.56	0.52	0.04
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. Enhancing employability by imparting vocational training and entrepreneurial skills leading to income generation and economic empowerment	Education & Skill Development	State : Odisha District : Jajpur, Keonjhar, Cuttack & Rayagada	5.82	4.45	----	11.65	0.67	3.78
3	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Women Empowerment & Gender Equality	State : Odisha District : Jajpur, Rayagada & Keonjhar	0.31	0.26	----	0.26	0.25	0.01

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	
S.No	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programmes (1) Local area or other (2) Specify the state and district where project or programme was undertaken**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes**		**Cumulative expenditure upto the reporting period**	**Amount spent : Direct or through implementing agency**	
4	Rural development projects, working with Government, Gram Sabhas, Gram Panchayats, NGOs, CBOs, etc for improving conditions in the communities where we operate with a focus on continuity and sustainability	Infrastructure Development	State : Odisha District : Jajpur,	0.01	0.02	----	0.02	0.02	0.00
5	Training to promote rural sports, Nationally recognised sports, paralympic sports and Olyympic sports.. Promoting sports by instituting awards, promoting sporting events including supporting such activities at school level	Promotion of Sports	State : Odisha District : Rayagada	0.11	0.10	----	0.10	0.09	0.01
6	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	Promotion of Culture	State : Odisha	0.30	0.06	----	0.06	0.06	----
	Total			**6.95**	**5.45**	**0.00**	**12.65**	**1.61**	**3.84**

Note : Out of the total CSR expenditure of ₹5.45 Crores an amount of ₹1.32 Crores has been spent through the implementing agency Bansidhar & Ila Panda Foundation (BIPF) established in the year 2011 as the social development arm of Indian Metals & Ferro Alloys Ltd (IMFA) and an amount of ₹0.29 Crores through Indian Metals Public Charitable Trust (IMPACT) a charitable arm of IMFA founded by Dr Bansidhar Panda and Late Mrs Ila Panda.

6 In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report ; Company has spend the prescribed amount.

7 The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Indian Metals & Ferro Alloys Ltd

Jayant Kumar Misra
Director (Corporate) & COO

For and on behalf of
CSR Committee of Indian Metals & Ferro Alloys Ltd

Subhrakant Panda
Chairman of the CSR Committee

ANNEXURE-6

FORM AOC -I

Statement containing salient features of the financial statement of Subsidiaries

(Pursuant to First proviso to sub section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules,2014)

₹ in crore

1	Sl. No.	1	2	3	4	5	6	7
2	Name of the Subsidiary	Indian Metals & Carbide Ltd	Utkal Power Ltd	Utkal Coal Ltd	IMFA Alloys Finlease Ltd	Utkal Green Energy Ltd	Indmet Mining Pte Ltd	PT Sumber Rahayu Indah (Subsidiary of Indmet Mining Pte Ltd)
3	Reporting Period	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17
4	Reporting Currency	₹	₹	₹	₹	₹	₹ (Converted)	₹ (Converted)
5	Share Capital	1.08	0.45	25.00	3.03	1.06	75.08	3.56
6	Reserves & Surplus	(0.89)	(0.02)	90.55	31.23	(0.97)	(2.72)	(10.79)
7	Total Assets	0.20	1.40	379.75	35.15	0.09	72.41	0.03
8	Total Liabilities (excluding Share Capital and Reserves & Surplus)	0.01	0.97	264.20	0.89	-	0.05	7.27
9	Investments	0.10	-	-	-	-	56.04	-
10	Turnover	-	-	-	2.86	-	-	-
11	Profit before Taxation	(0.02)	-	(0.05)	2.99	-	(0.07)	(2.43)
12	Provision for Taxation	-	-	-	0.91	-	-	-
13	Profit after Taxation	(0.02)	-	(0.05)	2.07	-	(0.07)	(2.43)
14	Proposed Dividend	-	-	-	1.82	-	-	-
15	% of shareholding	99.996%	100%	79.20%	76%	100%	100%	70%

NOTE

1 The figures in Balance Sheet and Profit & Loss Account of Indmet Mining Pte Ltd & PT. Sumber Rahayu Indah have been converted from USD to ₹ @ ₹ 64.05/ USD and ₹ 64.96 /USD respectively.

2 Subsidiaries which are yet to commence operation:

a) Utkal Power Ltd
b) Utkal Coal Ltd
c) Utkal Green Energy Ltd
d) PT Sumber Rahayu Indah

For and on behalf of the Board of Directors

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place : Bhubaneswar
Date : 18th May, 2017

REPORT ON CORPORATE GOVERNANCE

as on 31st March, 2017

Your Directors are pleased to present the Compliance Report on Corporate Governance.

1. PHILOSOPHY OF CODE OF GOVERNANCE:

Your Company prides itself on being a responsible corporate citizen, committed to running its business in the best possible manner while being completely transparent complying with all relevant rules & regulations and contributing to society at large. The Company adheres to the highest ethical standards which is combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, honesty of purpose, quality consciousness and customer satisfaction.

2. BOARD OF DIRECTORS

Your Company is managed by a Board of Directors comprising of a combination of Executive and Non-Executive Directors with the Non-Executive Directors constituting more than fifty percent of the total strength of the Board. The Company has an Executive Chairman and half of the Board is comprising of Independent Directors.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. Necessary disclosures with regard to membership of committees have been made by the Directors.

The composition of the Board as on 31st March, 2017 was as under:

Name of the Director	Category of Directorship	No. of Directorships in other* Public Limited Companies.		Committee Position in Mandatory Committees**		Share Holding
		Chairman	Member	Chairman	Member	
Dr Bansidhar Panda, Executive Chairman#	Promoter Non-Independent Executive	-	1	-	-	4,22,100
Baijayant Panda, Vice Chairman#	Promoter Non-Independent Executive	1	2	-	-	2,17,539
Subhrakant Panda, Managing Director#	Promoter Non-Independent Executive	1	2	-	-	2,18,095
Jayant Kumar Misra, Director (Corporate) & COO	Non-Independent Executive	1	2	-	1	100
Chitta Ranjan Ray, Whole-time Director	Non-Independent Executive	-	4	-	1	46
Paramita Mahapatra #	Promoter Non-Independent Non-Executive	-	5	1	-	2,18,015
Debabrata Bandyopadhyay	Independent Non-Executive	-	-	1	-	-
Maj Rabi Narayan Misra (Retd)	Independent Non-Executive	-	2	1	1	-
Nalini Ranjan Mohanty	Independent Non-Executive	-	3	-	2	-
Stefan Georg Amrein	Non-Independent Non-Executive	-	-	-	-	-
Sudhir Prakash Mathur	Independent Non-Executive	-	1	-	2	-
General Shankar Roychowdhury (Retd)	Independent Non-Executive	-	-	-	-	-
Santosh Nautiyal	Independent Non-Executive	-	1	-	1	-
Bijoy Kumar Das	Independent Non-Executive	-	-	-	-	-

* in companies other than Indian Metals & Ferro Alloys Limited and excludes Foreign Companies.

Mr Baijayant Panda, Mr Subhrakant Panda are the sons and Mrs Paramita Mahapatra is the daughter of Dr B Panda, Executive Chairman.

** Only Audit Committees and Stake Holder Relationship Committees of Indian Public Limited Companies have been considered for Committee Position.

No. of Board Meetings, attendance at Board Meetings & previous Annual General Meeting

Name of the Director	No. of Board Meetings attended during FY 2016-17	Attendance at AGM held on 26th July, 2016	Remarks
Dr B Panda	1	No	
Baijayant Panda	3	No	
Subhrakant Panda	5	Yes	
J K Misra	5	Yes	
Chitta Ranjan Ray	5	Yes	
Paramita Mahapatra	3	Yes	
D Bandyopadhyay	2	No	
Maj R N Misra (Retd.)	5	Yes	
N R Mohanty	5	Yes	
S P Mathur	4	Yes	
General Shankar Roychowdhury (Retd)	3	Yes	
S Nautiyal	2	No	
Stefan Georg Amrein	4	No	
Bijoy Kumar Das	4	Yes	
Dr S Acharya	2	No	Ceased to be a Director w.e.f 26th July, 2016

Dates on which Board Meetings were held : 17.05.16, 24.06.16, 26.07.16, 24.10.16, 07.02.17

Familiarisation programme for Independent Directors:

The Company has conducted the familiarisation programme for Independent Directors. The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatise them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the familiarisation programme has been disclosed on the website of the Company at http://www.imfa.in/pdfs/Familiarisation-programme.pdf.

3. AUDIT COMMITTEE:

The Company constituted an Audit Committee under the provisions of Section 292A of the erstwhile Companies Act, 1956, now Section 177 of the Companies Act 2013.

The role of the Audit Committee includes the following areas:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 (3) (c) of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.

  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control system.
- Discussion with the internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower mechanism.
- Verifying working results as well as capital expenditure vis-à-vis budgets.
- Reviewing quarterly progress reports submitted by the Company to the Financial Institutions/Banks.
- Reviewing effectiveness of the cost accounting, management information and cost control system.
- Ensuring proper maintenance of books of accounts.
- Examining procedure of purchases.
- Examining procedures for inventory control.
- Examining reasonableness of transactions with the associate companies, if any.
- Reviewing accounting procedures periodically.
- Reviewing insurance coverage.
- Reviewing prevalent systems of payroll.
- Reviewing systems and procedures in respect of import of raw materials, spares, components and capital equipment and export of finished goods.
- Reviewing accounting and booking of the expenditure to the correct account head.
- Reviewing compliance with the provisions of the Income Tax Act in respect of deduction and deposit of tax deducted at source.

Composition of the Audit Committee and the details of meetings attended by the members are given below.

Name of Member	Category	No. of meetings attended during FY 2016-17
D Bandyopadhyay, Chairman	Independent Non-Executive	2
Major R N Misra (Retd.)	Independent Non-Executive	5
S P Mathur	Independent Non-Executive	4
N.R.Mohanty##	Independent Non-Executive	4
Paramita Mahapatra#	Non-Independent Non-Executive	0
Dr S Acharya#	Independent Non-Executive	1

Ceased to be a Committee member w.e.f 18th May, 2016.

Appointed as Committee member w.e.f 18th May, 2016.

Audit Committee meetings were attended by Mr Sharat Prakash, Senior Partner, M/s Raghu Nath Rai & Co, Internal Auditor and Statutory Auditors –M /s Haribhakti & Co LLP, Chartered Accountants. CFO & Company Secretary acts as the Secretary of the Audit Committee.

Dates on which meetings were held : 17.05.16, 24.06.16, 26.07.16, 24.10.16, 07.02.17

4. NOMINATION & REMUNERATION COMMITTEE:

The broad terms of reference of the Nomination and Remuneration Committee are :

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of all the Directors on the Board;
- To devise a policy on Board diversity; and
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals

The following are the members of the Nomination & Remuneration Committee who are Non-Executive Independent Directors.

Name of the Member	Category	No. of meetings attended during FY 2016-17
D Bandyopadhyay, Chairman	Non-Executive Independent	1
Major R N Misra (Retd.)	Non-Executive Independent	1
N.R.Mohanty##	Non-Executive Independent	-
Dr S Acharya#	Non-Executive Independent	1

Ceased to be a Committee member w.e.f 18th May, 2016.

Appointed as Committee member w.e.f 18th May, 2016.

Dates on which meetings were held : 17.05.16

5. REMUNERATION OF DIRECTORS

Details of remuneration for FY 2016-17

Non-Executive Directors

(Amount in ₹)

Name	Commission	Sitting Fees	Stock Options	Total
Paramita Mahapatra	0	100,000	0	1,00,000
D Bandyopadhyay	6,25,000	30,000	0	6,55,000
Major R N Misra	6,25,000	60,000	0	6,85,000
Dr S Acharya#	6,25,000	30,000	0	6,55,000
S P Mathur	6,25,000	45,000	0	6,70,000
N R Mohanty	6,25,000	50,000	0	6,75,000
General Shankar Roychowdhury	6,25,000	15,000	0	6,40,000
S Nautiyal	6,25,000	15,000	0	6,40,000
Stefan Georg Amrein	0	25,000	0	25,000
Bijoy Kumar Das	6,25,000	40,000	0	6,65,000
Total	**50,00,000**	**4,10,000**	**0**	**54,10,000**

Ceased to be a Director w.e.f 26th July, 2016

The performance evaluation of independent directors is done by the entire Board of Directors (excluding the director being evaluated). For Remuneration Policy please refer to Annexure-2 of Directors Report.

All Non-Executive Directors are paid sitting fees. In addition, Non-Executive Independent Directors are paid commission at a rate not exceeding 0.5% per annum of the net profits of the Company subject to a maximum of ₹ 50 Lakh computed as per applicable provisions of the Companies Act, 2013.

Executive Directors

(Amount in ₹)

Name	Salary	Perquisites & Allowances	Commission/ Performance pay	Stock Options	Total
Dr B Panda Executive Chairman (Re-appointed w.e.f. 28th October, 2015 for a period of 3 years)	1,63,20,000	2,11,565	5,87,26,400	-	7,52,57,965
Baijayant Panda Vice Chairman (Re-appointed w.e.f. 28th October, 2015 for a period of 3 years)	1,54,80,000	24,17,700	5,87,26,400	-	7,66,24,100
Subhrakant Panda Managing Director (Re-appointed w.e.f. 28th October, 2015 for a period of 3 years)	1,83,36,000	24,17,490	5,87,26,400	-	7,94,79,890
J K Misra Director (Corporate) & COO (Re-appointed w.e.f. 28th October, 2015 for a period of 3 years)	50,70,156	26,95,841	40,00,000	-	1,17,65,997
C R Ray Whole-time Director (Re-appointed w.e.f. 31st January, 2016 for a period of 3 years)	50,59,596	9,66,892	12,00,000	-	72,26,488
Total	**6,02,65,752**	**87,09,488**	**18,13,79,200**	**-**	**25,03,54,440**

The above figures do not include (a) provisions for encashable leaves, gratuity and there is no separate provision for payment of severance fees.

Dr B Panda, Executive Chairman, Mr Baijayant Panda, Vice Chairman and Mr Subhrakant Panda, Managing Director are paid commission subject to a maximum of 1.5% each per annum of the net profits of the Company computed in accordance with section 198 of the Companies Act, 2013.

Mr J K Misra, Director(Corporate) & COO and Mr C R Ray, Whole-time Director are paid performance pay subject to a maximum of 100% and 50% of basic salary per annum respectively.

Details of equity shares of the Company held by the Non Executive Directors as on 31st March, 2017 are given below.

Name	Number of equity shares
Mrs Paramita Mahapatra	2,18,015

The Company has not issued any convertible debentures and stock options.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee specifically looks into the redressal of shareholder's and investor's complaints like transfer of shares, non-receipt of dividend and non-receipt of balance sheet etc. The composition of the Committee and details of the meeting attended by the Directors are given under:

Name of Member	Category	No. of meetings attended during FY 2016-17
Paramita Mahapatra, Chairperson	Non-Executive Non-Independent	14
J K Misra	Executive Non-Independent	23
Mr C R Ray	Executive Non-Independent	8
Dr Satyananda Acharya#	Non-Executive Independent	1

Ceased to be a Committee member w.e.f 18th May, 2016.

Dates on which meetings were held are	**:**	**15.04.16, 30.04.16, 13.05.16, 31.05.16, 30.06.16, 15.07.16, 30.07.16, 16.08.16, 31.08.16, 15.09.16, 30.09.16, 15.10.16, 31.10.16, 15.11.16, 30.11.16, 15.12.16, 30.12.16, 16.01.17, 31.01.17, 15.02.17, 28.02.17, 15.03.17 and 30.03.17**
Name, designation & address of Compliance Officer	:	Mr Prem Khandelwal CFO & Company Secretary Indian Metals & Ferro Alloys Limited Bomikhal, P.O. Rasulgarh, Bhubaneswar – 751 010 Phone: 0674-2580100,Fax : 0674-2580020 e-mail : pkhandelwal@imfa.in
No. of complaints received from the shareholders From 01.04.2016 to 31.03.2017	:	104
No. not solved to the satisfaction of the Shareholders as on 31.03.2017	:	NIL
No. of pending complaints as on 31.03.2017	:	NIL

In addition to the above referred mandatory committees under the Corporate Governance Code, the Board of Directors have also constituted the following committees:

7. FINANCE COMMITTEE:

The Finance Committee was constituted to specifically look into various credit facilities granted by the Banks/FI's from time to time including the power to borrow moneys within the limits approved by the shareholders, execution of documents thereto, opening and closing of Bank Accounts, changes in authorised signatories, giving operating instructions and all other banking matters, etc. The composition of the Committee is given below:

Name of members	Category	No. of meetings attended during FY 2016-17
Subhrakant Panda, Chairman	Executive Non-Independent	2
J K Misra	Executive Non-Independent	6
C R Ray	Executive Non-Independent	6

Dates on which meetings were held : 01.06.16, 27.07.16, 09.09.16, 07.12.16, 03.01.17 and 09.03.17

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) Committee was constituted to look into the CSR activities & Projects or programmes of the Company. The composition of the Committee and details of the meeting attended by the Directors are given below:

Name of Member	Category	No. of meetings attended during FY 2016-17
Subhrakant Panda, Chairman	Executive Non-Independent	4
Paramita Mahapatra	Non-Executive Non-Independent	2
J K Misra	Executive Non-Independent	4
Dr S Acharya#	Non-Executive Independent	1
B K Das##	Non-Executive Independent	3

\# Ceased to be a Committee member w.e.f 18th May, 2016.

\## Appointed as committee member w.e.f 18th May, 2016.

Dates on which meetings were held : 17.05.16, 26.07.16, 24.10.16, 07.02.17

9. ALLOTMENT COMMITTEE:

The Allotment Committee was constituted to specifically look into allotment of Shares as and when required within the limits approved by the shareholders etc. The composition of the Committee is given below:

Name of members	Category	No. of meetings attended during FY 2016-17
J K Misra	Executive Non-Independent	2
C R Ray	Executive Non-Independent	2

Dates on which meetings were held : 05.08.16 & 09.12.16

10. IMMOVABLE PROPERTY DISPOSAL COMMITTEE:

The Immovable Property Disposal Committee was constituted to specifically look into disposal of Company's immovable property as and when required subject to necessary statutory approvals. The composition of the Committee is given below:

Name of members	Category	No. of meetings attended during FY 2016-17
J K Misra	Executive Non-Independent	-
C R Ray	Executive Non-Independent	-

Dates on which meetings were held : Nil

11. GENERAL BODY MEETINGS:

Location and time where last three AGMs were held:

The last three AGMs were held on 22.07.2014 (at 3.00 PM),23.07.2015 (at 2.30 PM) and 26.07.2016 (at 11.00 AM) at the Registered Office of the Company at Bomikhal, P.O. Rasulgarh, Bhubaneswar–751010. No Extraordinary General Meeting of the members took place during FY 2016-17.

Whether any Special Resolution passed in previous 3 AGMs : Yes

At the AGM of the Company held on 22nd July, 2014 a special resolution was passed for obtaining the consent of the Company to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 2,500 Crore (Rupees twenty five hundred crores only).

At the AGM of the Company held on 23rd July, 2015 a special resolution was passed for obtaining the consent of the Company to pay a sum not exceeding 0.5% per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013 subject to a maximum of ₹ 50,00,000/- (Rupees fifty lakh only) be paid to and distributed equally amongst the Non Executive Independent Directors of the Company as commission and such payments shall be made out of the profits of the Company of each year for a period of three years commencing from 1st April, 2015.

At the AGM of the Company held on 26th July, 2016 Special Resolutions for re-appointment of Dr Debabrata Bandyopadhyay (DIN:00144440), Mr Nalini Ranjan Mohanty (DIN:00237732) and Major Rabi Narayan Misra (Retd) (DIN:00146138) were passed by the shareholders under Section 149,150 & 152 of the Companies Act, 2013 and Rules made there under.

During FY 2016-17, Special Resolution was passed through postal ballot to obtain consent of the members to create, offer and allot, on preferential basis, from time to time, in one or more tranches, up to 10,00,000 (ten lakh) fully convertible Warrants to the persons belonging to the Promoter Category, each convertible into, or exchangeable for, one Equity Share of face value of ₹ 10/- (Rupees ten only) under Section 42 & 62 of the Companies Act, 2013 and Rules made there under. The procedure for postal ballot is as per Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014. The details of voting pattern are as under.

Sl No.	Item(s)	No. of Valid Votes polled	Votes cast in favour of the Resolution (%age)	Votes cast against the Resolution (%age)
1	Special Resolution for Issuance of Equity Warrants To Promoter/Promoter Group on Preferential Basis.	65,81,832	65,79,789 (99.97)	2,043 (0.03)

The Board appointed Mr Sourjya Prakash Mohapatra, a practicing Chartered Accountant as Scrutinizer to conduct the postal ballot process in a transparent manner.

No special resolution requiring postal Ballot is being proposed at ensuing Annual General Meeting.

12. MEANS OF COMMUNICATION:

The Company normally publishes the quarterly unaudited results and audited results for the last quarter in 'Business Standard' (English) & 'The Pragativadi' (vernacular). Further the results are provided on the Company's website www.imfa.in. The unaudited results of the first, second and third quarter are announced within 45 days of the end of the relevant quarter and the fourth quarter and annual audited results are announced within 60 days of the end of the Financial Year. Press releases made by the Company from time to time are displayed in the Company's website. Presentation made to the institutional investors and analyst after the declaration of quarterly, half yearly & annual results are also displayed on the Company's website.

13. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	:	
Date & time	:	17th July, 2017 at 3.00 PM
Venue	:	At the Registered Office of the Company at Bomikhal, P.O.Rasulgarh, Bhubaneswar – 751 010.,Odisha
Financial Year	:	1st April, 2016 to 31st March, 2017
Dates of Book closure	:	11th July, 2017 to 17th July, 2017 (both days inclusive)
Dividend Payment Date	:	Dividend warrants will be despatched within 30 days from the date of Annual General Meeting
Listing in Stock Exchanges	:	The equity shares are listed at BSE Limited and National Stock Exchange of India Ltd since 28th January, 2009 and 23rd July, 2010 respectively. Listing fee for FY 2016-17 has been paid to the above said Stock Exchanges.
Stock Code	:	BSE : 533047
		NSE : IMFA
Market price data	:	The high/low market price shown during the period 01.04.2016 to 31.03.2017 at the Bombay Stock Exchange and National Stock Exchange are as under.

BSE

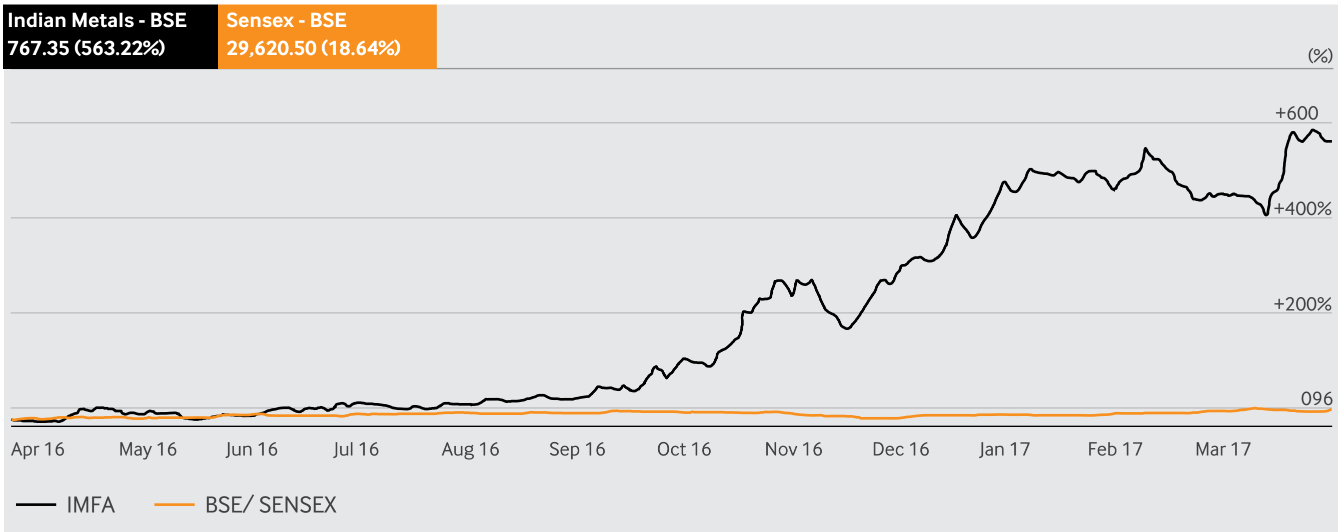
Month	High	Low
April,16	149.00	109.00
May,16	138.70	114.10
June,16	161.90	120.20
July,16	159.00	134.00
August,16	175.15	147.00
September,16	251.00	161.30
October,16	408.40	225.00
November,16	474.00	315.40
December,16	621.10	424.00
January,17	717.00	621.00
February,17	776.25	622.00
March,17	823.00	572.00

NSE

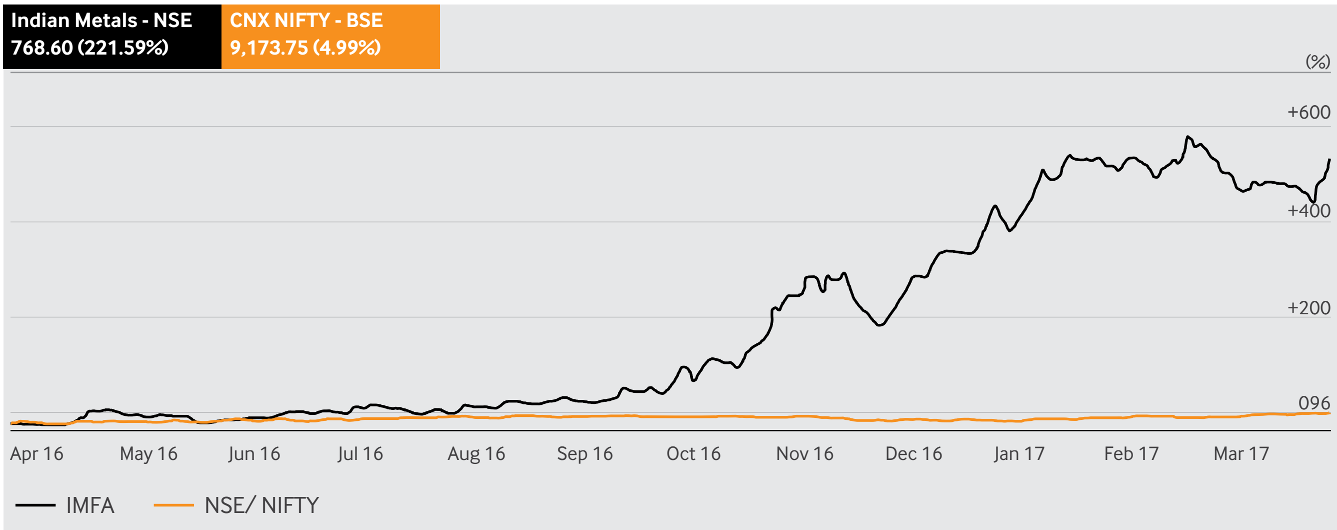
Month	High	Low
April,16	148.80	106.90
May,16	138.70	113.10
June,16	162.80	119.10
July,16	158.80	134.00
August,16	175.75	145.00
September,16	251.80	160.20
October,16	409.00	226.05
November,16	474.00	314.10
December,16	621.25	425.30
January,17	718.00	622.00
February,17	778.00	618.00
March,17	827.00	572.40

PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES:

Performance of share price of the Company in comparison to BSE Sensex is as under:
Indian Metals v/s BSE



Performance of share price of the Company in comparison to NSE Nifty is as under:
Indian Metals v/s NSE



Registrar and transfer agents	:	The Company does the share transfer work in-house.
Share Transfer system	:	Share Transfer requests in physical form should be lodged at the Company's Registered Office at IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar – 751010. The Company's share transfer activity is fully computerised. The Stakeholders Relationship Committee meets twice in a month to approve share transfers and other share related matters.

Distribution of shareholding as on 31st March, 2017:

No. of equity shares held	No. of shareholders	% to total
Up to - 500	37,492	98.211
501 - 1000	309	0.809
1001 - 2000	154	0.403
2001 - 3000	62	0.162
3001 - 4000	37	0.097
4001 - 5000	23	0.060
5001 - 10000	40	0.105
10001 & above	58	0.153
Total	**38,175**	**100**

Categories of shareholders as on 31st March, 2017:

Category	No. of shares	%
Promoters & Promoter Group	1,58,83,312	58.88
Mutual Fund / UTI	25,11,515	9.31
Financial Institutions & Banks	7,307	0.03
Foreign Institutional Investors	36,167	0.13
Bodies Corporate	8,36,882	3.10
Trusts	60	00
Overseas Corporate Bodies	52,34,759	19.40
NRIs	2,36,261	0.88
Individuals	22,30,790	8.27
Total	**2,69,77,053**	**100**

Dematerialisation of shares & liquidity	:	The Company's shares are open for dematerialisation through both the Depositories NSDL & CDSL. The International Securities Identification Number (ISIN) allotted to the Company's equity shares under the Depository System is INE919H01018.
Outstanding GDRs/ADRs/Warrants or any convertible instruments	:	NIL
Plant locations:		
Factory	:	Therubali,
	:	Dist-Rayagada -765018, Odisha
	:	Choudwar,
	:	Dist.-Cuttack – 754 071, Odisha
Mines	:	Sukinda Chromite Mines PO Kaliapani, Sukinda,Dist. Jajpur, Odisha
	:	Mahagiri Chromite Mines Sukinda, Dist. Jajpur, Odisha
	:	Nuasahi Chromite Mines Dist-Keonjhar,Odisha
Address for correspondence	:	**Indian Metals & Ferro Alloys Limited** **CIN: L27101OR1961PLC000428** Registered & Head Office: Bomikhal, Rasulgarh (PO) Bhubaneswar - 751 010, Odisha Phone: (0674) 2580100 / 2580125 Fax: (0674) 2580020 / 2580145 email: mail@imfa.in; website: www.imfa.in

14. OTHER DISCLOSURES:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

The Board has received general disclosure of interest from the Directors under Section 184 of the Companies Act, 2013. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The Company has formulated a policy on materiality on Related Party Transaction which has been hosted on the website of the Company at http://www.imfa.in/pdfs/Materiality-RP-Transactions.pdf.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years

NIL

(c) Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

Pursuant to section 177(9) and (10) of the Companies Act, 2013 and the erstwhile revised clause 49 of the Listing agreement, the Company has a Whistle Blower Policy and has established the necessary mechanism for employees to report concern about unethical behaviour and no personnel is denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at http://www.imfa.in/investor-information/others.htm.

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

The Company has complied with all the mandatory requirements and the following Non-mandatory requirements:

The Statutory financial statements of the Company are unqualified.

The position of the Chairman and the MD are separate.

(e) web link where policy for determining 'material' subsidiaries is disclosed:

http://www.imfa.in/pdfs/MaterialSubsidiaries.pdf.

(f) web link where policy on dealing with related party transactions:

http://www.imfa.in/pdfs/Materiality-RP-Transactions.pdf.

(g) Disclosure of commodity price risks and commodity hedging activities:

Ferro chrome price is normally set by South African and Chinese producers being the largest producer of ferro chrome in the world. Hence other ferro chrome producers are basically followers and have no control as far as prices are concerned.

Subsidiary Companies:

The Audit Committee reviews consolidated financial statements of the Company. The Minutes of the Board meetings of the unlisted subsidiaries are periodically placed before the Board of Directors of the Company.

15. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT:

None

16. DISCLOSURES RELATING TO ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (LISTING REGULATIONS):

The Statutory financial statements of the Company are unqualified.

The position of the Chairman and the MD are separate.

17. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF LISTING REGULATIONS:

I. Disclosure on website in terms of Listing Regulations

Item	Compliance status (Yes/No/NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of Board of Directors	Yes
Code of conduct of Board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarisation programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
New name and the old name of the listed entity	NA

II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarisation of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other Corporate Governance requirements	27	Yes

18. CODE OF CONDUCT

The Company has laid down a Code of Conduct for all Board Members & Senior Executives of the Company. The Code of Conduct is available on the website of the Company www.imfa.in.

DECLARATION

As provided under Listing Regulations the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2017.

Bhubaneswar
18th May, 2017

Subhrakant Panda
Managing Director

19. CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION, ISSUED PURSUANT TO THE LISTING REGULATIONS

To the Board of Directors
Indian Metals & Ferro Alloys Ltd.

Dear Sirs,

Sub: CEO & CFO Certificate

A. We have reviewed the financial statements and the cash flow statement of Indian Metals & Ferro Alloys Ltd for the year ended March 31, 2017 and that to the best of our knowledge and belief we state that:

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

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   (i) There has not been any significant change in internal control over financial reporting during the year under reference.

   (ii) There have been significant changes in accounting policies during the year due to first time adoption of Ind AS in preparing its financial statements requiring disclosure in the notes to the financial statements.

   (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely

Bhubaneswar
18th May, 2017

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Indian Metals and Ferro Alloys Limited

We have examined the compliance of conditions of Corporate Governance by Indian Metals and Ferro Alloys Limited, for the year ended on 31st March, 2017, as stipulated under various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Sunita Mohanty & Associates
Company Secretaries

Jyotirmoy Mishra
Partner
Membership No.: F 6556

Bhubaneswar
18th May, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Indian Metals and Ferro Alloys Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Indian Metals and Ferro Alloys Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income),the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position),profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS 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 thereunder.

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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 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 standalone Ind AS 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 Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

EMPHASIS OF MATTERS

(a) We draw attention to Note No. 6.2 to the standalone Ind AS financial statements relating to the Company's equity investment amounting to ₹ 53.13 crore in Indmet Mining Pte Ltd ('Indmet'), a wholly-owned subsidiary incorporated in Singapore which, in turn, has investment in its Indonesian subsidiary PT Sumber Rahayu Indah ('PT Sumber'). The Company's carrying value of investment in Indmet is substantially dependent on the latter's carrying value of investment in PT Sumber and the Company has initiated arbitration proceedings for protecting its said investment.

(b) We draw attention to Note Nos. 46 and 47 to the standalone Ind AS financial statements relating to the Company's exposure in a subsidiary and non-recognition of income from interest on unsecured loan given to the subsidiary, respectively. These matters have arisen out of the cancellation of allotment of the coal block being held by the subsidiary vide the Hon'ble Supreme Court of India's order dated 24th September, 2014 and the subsequent events in connection therewith.

Our opinion is not modified in respect of these matters.

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 "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

f. On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note Nos. 6.2, 38, 46, 47, 48, 49, 50 and 51 to the standalone Ind AS financial statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

(iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the company and as produced to us by the management (refer Note No. 44 to the standalone Ind AS financial statements).

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No.056613

Bhubaneswar
18th May, 2017

ANNEXURE 1

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2017]

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, major portion of fixed assets has been physically verified by the Company's Management ("management") during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification.

(iii) The Company has granted unsecured loan to a Company covered in the register maintained under Section 189 of the Act.

(a) According to the information and explanations given to us, we are of the opinion that the terms and conditions of the grant of the aforesaid loan are not prejudicial to the Company's interest, except that the loan and interest thereon is repayable/payable either on demand or to be adjusted against the supply of coal by the borrower in future, which may be prejudicial to the Company's interest as the borrower's ability to repay/pay such loan/interest is contingent on the outcome of certain matters as detailed in Note No. 46 to the standalone Ind AS financial statements.

(b) According to the information and explanations given to us, the aforesaid loan and interest thereon is repayable/ payable either on demand or to be adjusted against the supply of coal by the borrower in future. As no such demand has been raised by the Company till date, clause (b) is not applicable in this case.

(c) As explained in (b) aforesaid, there is no amount which is overdue.

(iv) According to the information and explanations given to us in respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues as at 31st March, 2017 of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax, which have not been deposited on account of any dispute, are as follows:

(viii) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that during the year the Company has not defaulted in

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	19.10	1993-2002	Orissa High Court
Central Excise Act, 1944	Cenvat Credit reversal	13.75	2002-2009	Central Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Cenvat Credit reversal	0.11	2011-12	Assistant Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Cenvat Credit reversal	1845.73	2009-2014	Central Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Cenvat Credit reversal	7.58	2012-2014	Central Excise & Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	17.45	Assessment Years 1987-88 and 1989-90	Orissa High Court
Orissa Sales Tax Act, 1947	Sales Tax	1.02	1990-91 to 1991-92	Orissa High Court
Orissa Sales Tax Act, 1947	Sales Tax	7.04	2002-03	Addl. Commissioner of Sales Tax
Orissa Sales Tax Act, 1947	Sales Tax	4.19	1994-95	Orissa Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Value Added Tax	2.76	October, 2011 to March, 2015	Addl. Commissioner of Sales Tax

repayment of loans or borrowings to a financial institution, bank or Government. The Company has not issued any debentures as at the balance sheet date.

(ix) In our opinion and according to the information and explanations given to us, term loans were prima facie applied during the year for the purposes for which those was raised. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has made preferential allotment of fully convertible equity warrants during the year under review and such warrants were converted into fully paid-up equity shares during the said year. According to the information and explanations given to us, the requirements of Section 42 of the Act have been complied with and the amounts raised have been used for the purposes for which the funds were raised.

(xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with directors or persons connected with them.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No.056613

Bhubaneswar
18th May, 2017

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (2)g under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date, to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2017]

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of the Company as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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, 2017, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Bhubaneswar
18th May, 2017

BALANCE SHEET

as at 31st March, 2017

(₹ in crore)

	Note No.	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	1,001.72	1,062.54	1,096.43
Capital Work-in-Progress	3	56.45	60.46	60.99
Investment Property	4	11.26	11.58	11.90
Intangible Assets	5	3.56	4.46	-
Intangible Assets under Development	5	-	-	4.25
Investments in Subsidiaries	6	168.42	168.95	168.84
Financial Assets				
-Trade Receivables	7	11.39	11.39	11.39
-Loans	8	22.84	12.32	10.64
-Other Financial Assets	9	0.77	7.49	7.71
Other Non-Current Assets	10	157.82	147.91	132.04
Non-Current Tax Assets (Net)		22.93	72.94	60.96
Current Assets				
Inventories	11	340.08	330.85	384.52
Financial Assets				
-Investments	12	158.50	21.04	-
-Trade Receivables	13	66.68	14.80	53.11
-Cash and Cash Equivalents	14	6.65	4.97	36.66
-Other Bank Balances	15	20.19	41.81	35.88
-Loans	16	263.78	174.00	146.77
-Other Financial Assets	17	9.93	5.39	5.37
Other Current Assets	18	160.82	139.32	164.56
Total Assets		**2,483.79**	**2,292.22**	**2,392.02**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	19	26.98	25.98	25.98
Other Equity		1,016.22	783.08	833.67
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
-Borrowings	20	632.70	678.60	727.64
-Other Financial Liabilities	21	13.08	29.03	9.84
Provisions	22	9.47	7.95	4.85
Deferred Tax Liabilities (Net)	23	78.46	38.00	68.65
Other Non-Current Liabilities	24	130.11	128.57	121.35
Current liabilities				
Financial Liabilities				
-Borrowings	25	181.37	200.81	213.01
-Trade Payables	26	117.84	138.92	167.34
-Other Financial Liabilities	27	233.74	222.29	199.48
Other Current Liabilities	28	37.34	35.11	14.77
Provisions	29	6.48	3.88	5.44
Total Equity and Liabilities		**2,483.79**	**2,292.22**	**2,392.02**
Notes to Financial Statements	1 to 61			

The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(₹ in crore)

Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
INCOME			
Revenue from Operations	30	1,697.04	1,226.53
Other Income	31	49.35	16.48
Total Income		**1,746.39**	**1,243.01**
EXPENSES			
Cost of Materials Consumed	32	706.55	655.87
Changes in Inventories of Finished Goods	33	(1.57)	28.19
Excise Duty		24.69	15.23
Employee Benefits Expense	34	170.25	135.41
Finance Costs	35	86.33	83.61
Depreciation and Amortisation Expense	3 to 5	108.69	114.05
Other Expenses	36	281.79	268.81
Total Expenses		**1,376.73**	**1,301.17**
Profit/(Loss) before Exceptional Items and Tax		**369.66**	**(58.16)**
Exceptional Items - Expense (Net)		-	17.15
Profit/(Loss) Before Tax		**369.66**	**(75.31)**
Tax Expense:			
-Current Tax		92.23	-
-Deferred Tax		27.60	(30.58)
Profit/(Loss) After Tax		**249.83**	**(44.73)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plans		0.26	(1.96)
- Income Tax		(0.09)	0.61
Total Comprehensive Income for the year		**250.00**	**(46.08)**
[comprising profit/(loss) and other comprehensive income for the year]			
Earnings per Equity Share of par value of ₹ 10/- each			
Basic and Diluted (In ₹)	37	**95.04**	**(17.22)**
Notes to Financial Statements	1 to 61		

The Notes referred to above form an integral part of the Statement of Profit & Loss.
This is the Statement of Profit and Loss referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2017

A. EQUITY SHARE CAPITAL

(₹ in crore)

Balance at the beginning		Changes in equity share capital during the year		Balance at the end	
As at 1st April, 2015	As at 1st April, 2016	2015-16	2016-17	As at 31st March, 2016	As at 31st March, 2017
25.98	25.98	-	1.00	25.98	26.98

B. OTHER EQUITY

(₹ in crore)

Particulars	Reserves and Surplus					Total
	Capital Reserves	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2015	**0.91**	**0.20**	**131.39**	**276.94**	**424.23**	**833.67**
Profit/(Loss) for the year	-	-	-	-	(44.73)	(44.73)
Other comprehensive income (net of tax)	-	-	-	-	(1.35)	(1.35)
Excess provision for Tax on Proposed Dividend reversed	-	-	-	0.18	-	0.18
Dividend	-	-	-	-	(3.90)	(3.90)
Tax on Dividend	-	-	-	-	(0.79)	(0.79)
Balance as at 31st March, 2016	**0.91**	**0.20**	**131.39**	**277.12**	**373.46**	**783.08**
Profit/(Loss) for the year	-	-	-	-	249.83	249.83
Other comprehensive income (net of tax)	-	-	-	-	0.17	0.17
Issue of equity shares on conversion of equity warrants	-	-	15.33	-	-	15.33
Dividend	-	-	-	-	(26.98)	(26.98)
Tax on Dividend	-	-	-	-	(5.21)	(5.21)
Balance as at 31st March, 2017	**0.91**	**0.20**	**146.72**	**277.12**	**591.27**	**1,016.22**

This is the Statement of Changes in Equity referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

CASH FLOW STATEMENT

for the year ended 31st March, 2017

(₹ in crore)

		Year ended 31st March, 2017	Year ended 31st March, 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before tax	369.66	(75.31)
	Adjustments for:		
	Depreciation and Amortisation Expense	108.69	114.05
	Loss/(profit) on sale/disposal of fixed assets (net)	(0.83)	(0.02)
	Loss/(profit) on sale of Investments (net)	(2.56)	(0.13)
	Gain on fair valuation of Current Investments	(0.48)	(0.17)
	Unrealised foreign exchange (gain)/loss	4.31	10.28
	Interest Income	(9.00)	(9.43)
	Dividend Income	(1.38)	(0.92)
	Finance Costs	86.33	83.61
	Exceptional Items	-	(5.56)
	Impairment Loss Allowance	0.35	0.10
	Fair Value Changes to Prepayment option	0.02	0.05
	Liability no longer required written back	(1.83)	(0.21)
	Operating Profit before Working Capital Changes	**553.28**	**116.34**
	Adjustments for:		
	Trade and other receivables	(75.91)	48.31
	Inventories	(9.23)	52.21
	Trade payables and other liabilities	(8.71)	25.08
	Cash Generated from Operations	**459.43**	**241.94**
	Direct Taxes paid	(29.45)	(11.44)
	Net Cash Generated from Operating Activities	**429.98**	**230.50**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets and Capital Work-in-Progress	(42.97)	(102.17)
	Sale of fixed assets	2.06	16.45
	Sale / (Purchase) of Investments (net)	(134.43)	(20.84)
	Loan to Subsidiaries (net)	(89.78)	(27.26)
	Dividend received	1.38	0.92
	Interest received	9.00	8.05
	Net Cash (used in) / generated from Investing Activities	**(254.74)**	**(124.85)**

CASH FLOW STATEMENT

for the year ended 31st March, 2017

(₹ in crore)

		Year ended 31st March, 2017	Year ended 31st March, 2016
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity Shares (net)	16.33	-
	Proceeds from long term borrowings	140.85	83.01
	Repayment of long term borrowings	(191.35)	(119.07)
	Proceeds from/(Repayment) of short term borrowings (net)	(19.44)	(8.21)
	Interest and financing charges paid	(87.76)	(88.56)
	Dividend paid (including dividend distribution tax)	(32.19)	(4.51)
	Net Cash (used in) / generated from Financing Activities	**(173.56)**	**(137.34)**
	Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**1.68**	(31.69)
	Cash and Cash Equivalents at the beginning of the year	**4.97**	36.66
	Cash and Cash Equivalents at the end of the year (refer Note No. 14)	**6.65**	**4.97**
Notes:			
1.	Cash and Cash Equivalents at the end of the year comprises of:		
	Cash on hand	0.24	0.56
	Balance with Banks:		
	- In Current Accounts	4.55	4.33
	- Fixed Deposits	1.86	0.08
	Total	**6.65**	**4.97**
2.	The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".		
3.	Previous year's figures have been rearranged/regrouped to conform to the classification of the current year, wherever considered necessary.		

This is the Cash Flow Statement referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

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to Financial Statements

1. GENERAL INFORMATION

Indian Metals and Ferro Alloys Limited ('IMFA' or 'the Company') is a Public Limited Company incorporated in India. IMFA's shares are listed on BSE and the National Stock Exchange ('NSE'). Its parent and ultimate holding company is B. Panda and Company Private Limited w.e.f. 9th December 2016. The address of the registered office is IMFA Building, Bomikhal, P.O. Rasulgarh, Bhubaneswar – 751010, Odisha.

The Company, incorporated in 1961, is a leading, fully integrated producer of ferro chrome in India. Located in the State of Odisha known for its natural resources, IMFA is India's largest producer of ferro chrome with 187 MVA installed furnace capacity backed up by 258 MW captive power plant and extensive chrome ore mining tracts. The Company's ferro chrome output is primarily exported to Korea, China, Japan and Taiwan.

These financial statements were approved for issue by the board of directors of the Company on 18th May, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP, under the historical cost convention, on accrual basis, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements for the year ended 31st March, 2017 are IMFA's first Ind AS compliant financial statements. The Company adopted Ind AS in accordance with Ind AS 101- "First-time Adoption of Indian Accounting Standards". The date of transition to Ind AS is 1st April, 2015. The transition was carried out from the previously applicable Indian GAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Basis of preparation

These financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Functional and presentational currency

These financial statements are presented in Indian Rupee (INR) which is also the functional currency. Unless otherwise stated, all amounts are rounded to the nearest rupees in crore.

Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;

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- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
The Company has deemed its operating cycle as twelve months for the purpose of current/non-current classification.

2.4 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

a) Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, it no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sale of goods is recognised gross of excise duty but net of other taxes collected on behalf of third parties.

b) Inter unit transfers are adjusted against respective expenses.

c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

d) Dividend income from Investment in shares of corporate bodies is accounted when the Company's right to receive the dividend is established.

e) Export Incentives

(i) Export Incentives on account of Duty Drawback Scheme and Merchandise Exports from India Scheme (MEIS) are accrued in the year when the right to receive as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no uncertainty about its ultimate collection.

(ii) Export Incentives on account of Status Holder Incentive Scheme is recognised as and when certainty of its realisable amount is established by the Company, to the extent the scrip value is sold or utilised against duty to be paid on Capital Goods.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 (transition date) measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values, over their useful lives. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated/amortised over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of lease term, assets are depreciated over the shorter of lease term and their useful lives.

The Company has adopted the useful life as specified in Schedule II to the Companies Act, 2013 except for certain assets for which the useful life has been estimated based on the Company's past

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experiences in this regard, duly supported by technical advice. Accordingly, the useful lives of tangible assets of the Company which are different from the useful lives as specified by Schedule II are given below:

Asset description	Estimated useful life duly supported by Technical Advice (in years)	Estimated useful life as per Schedule II (in years)
Furnaces	8	25
Certain items of Continuous Process Plant	26 – 42	25
Railways Sidings	26	15

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the property, plant and equipment and is recognised in the Statement of Profit and Loss.

2.6 Investment property

Investment properties are properties held to earn rentals or for capital appreciation or both (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of Ind AS 16 – Property, Plant and Equipment, for cost model.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as at 1st April, 2015 (transition date) measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss in the period in which the property is derecognised.

The Company amortises/depreciates the leasehold land /building components of Investment property over their separate useful lives. The useful life of the leasehold land is taken as the lease period specified in the lease agreement and the useful life of the building constructed on the said leasehold land is based on Schedule II of the Companies Act, 2013.

2.7 Intangible assets

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives if any other method which reflects the pattern in which the assets's future economic benefit are expected to be consumed by the entity cannot be determined reliably. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1st April, 2015 (transition date) measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

2.8 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest rate method, other costs incurred in connection with borrowing of funds and exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.9 Inventories

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

Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets are dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Derecognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in

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the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

Financial guarantee contracts

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2.11 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated as hedging instrument.

2.12 Impairment

Financial assets

The Company recognises loss allowances, if any, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL is measured at an amount equal to the 12- month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Non-financial assets

Non financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.13 Investment in subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

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Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment in subsidiaries recognised as at 1st April, 2015 (transition date) measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

2.14 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangements contain a lease on the basis of the facts and circumstances existing on the date of transition.

a) Arrangements where the Company is the lessee

Leases of property, plant and equipment, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

b) Arrangements where the Company is the lessor

Rental income from operating leases is generally recognised on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.15 Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e., INR) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date, except for those derivative balances that are within the scope of Ind AS 109 – "Financial Instruments", are translated to the functional currency at the exchange rate at that date and the related foreign currency gain or loss are reported in the Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to interest costs are recognised in the Statement of Profit and Loss. Realised or unrealised gain in respect of the settlement or translation of borrowing is recognised as an adjustment to interest cost to the extent of the loss previously recognised as an adjustment to interest cost.

2.16 Employee benefits

a) Employee benefits in the form of Provident Fund, Pension Fund, Superannuation Fund and Employees State Insurance are defined contribution plans. The Company recognises contribution payable to a defined contribution plan as an expense, when an employee renders the related service. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the contribution payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity liability and Leave encashment liability are defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

c) Remeasurements of the net defined benefit liability/asset comprise:

i) actuarial gains and losses;

ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset; and

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iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.

Remeasurements of net defined benefit liability/asset are charged or credited to other comprehensive income.

2.17 Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases, the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which those deductible temporary differences and tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum Alternate Tax (MAT)

MAT Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.18 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These are measured at the lower of carrying amount and fair value less costs to sell.

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to Financial Statements

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in crore)

Particulars	Tangible Assets - Own										Tangible Assets - Leased		Total	Capital Work-in-Progress
	Freehold Land	Buildings	Railway Siding & Runways	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipments	Motor Vehicles	Aircrafts	CSR Assets	Land	Plant and Equipment		
Gross Carrying Amount														
Deemed Cost as at 1st April, 2015	45.53	278.15	10.02	696.34	1.69	3.50	1.98	6.72	18.14	-	10.56	23.80	**1,096.43**	**60.99**
Additions/Adjustments	0.70	40.00	-	38.41	0.39	0.48	0.69	1.00	-	-	-	-	**81.67**	79.37
Deductions/Adjustments	-	0.06	-	1.59	-	-	0.01	0.57	-	-	-	-	**2.23**	79.90
As at 31st March, 2016	**46.23**	**318.09**	**10.02**	**733.16**	**2.08**	**3.98**	**2.66**	**7.15**	**18.14**	**-**	**10.56**	**23.80**	**1,175.87**	**60.46**
Additions/Adjustments	0.49	11.16	-	10.16	0.27	0.94	1.43	3.37	-	10.76	-	9.29	**47.87**	37.49
Deductions/Adjustments	-	0.59	-	0.36	-	0.05	0.01	0.89	-	-	-	-	**1.90**	41.50
As at 31st March, 2017	**46.72**	**328.66**	**10.02**	**742.96**	**2.35**	**4.87**	**4.08**	**9.63**	**18.14**	**10.76**	**10.56**	**33.09**	**1,221.84**	**56.45**
Accumulated Depreciation & Amortisation														
As at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Charge for the year	-	33.46	1.91	66.67	0.72	2.27	1.09	2.38	2.49	-	0.17	2.53	**113.69**	-
Disposals / Adjustments	-	-	-	0.24	-	-	-	0.12	-	-	-	-	**0.36**	-
As at 31st March, 2016	**-**	**33.46**	**1.91**	**66.43**	**0.72**	**2.27**	**1.09**	**2.26**	**2.49**	**-**	**0.17**	**2.53**	**113.33**	**-**
Charge for the year	-	31.31	1.51	62.90	0.50	1.19	0.89	1.96	2.15	0.15	0.16	4.75	**107.47**	-
Disposals / Adjustments	-	0.11	-	0.10	-	0.03	-	0.44	-	-	-	-	**0.68**	-
As at 31st March, 2017	**-**	**64.66**	**3.42**	**129.23**	**1.22**	**3.43**	**1.98**	**3.78**	**4.64**	**0.15**	**0.33**	**7.28**	**220.12**	**-**
Net Carrying Amount :														
As at 31st March, 2017	**46.72**	**264.00**	**6.60**	**613.73**	**1.13**	**1.44**	**2.10**	**5.85**	**13.50**	**10.61**	**10.23**	**25.81**	**1,001.72**	**56.45**
As at 31st March, 2016	**46.23**	**284.63**	**8.11**	**666.73**	**1.36**	**1.71**	**1.57**	**4.89**	**15.65**	**-**	**10.39**	**21.27**	**1,062.54**	**60.46**
As at 1st April, 2015	**45.53**	**278.15**	**10.02**	**696.34**	**1.69**	**3.50**	**1.98**	**6.72**	**18.14**	**-**	**10.56**	**23.80**	**1,096.43**	**60.99**

1. The Company has used previous Indian GAAP carrying value as deemed cost to measure the items of Property, Plant and Equipment as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).
2. Gross carrying amount of CSR assets include Buildings (₹ 9.20 crore) and Plant and Equipment (₹ 1.56 crore). Out of a total of ₹ 10.76 crore, ₹ 7.08 crore has been transferred from Capital Work-in-Progress and balance of ₹ 3.68 crore has been incurred during the year.
3. Borrowing costs capitalised during the year ₹ 1.37 crore (Previous Year : ₹ 7.02 crore)

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4. INVESTMENT PROPERTY

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Gross Carrying Amount	11.90	11.90
Additions/Adjustments	-	-
Deductions/Adjustments	-	-
Closing Gross Carrying Amount	**11.90**	**11.90**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.32	-
Charge for the year	0.32	0.32
Closing Accumulated Depreciation	0.64	0.32
Net Carrying Amount	**11.26**	**11.58**

The Company has used previous Indian GAAP carrying value as deemed cost to measure Investment Property as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).

Direct Income/Expenses recognised in the Statement of Profit and Loss for Investment Property

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Rental Income	0.01	0.01
Direct operating expenses that generated rental income	0.01	0.01
Direct operating expenses that did not generate rental income	0.15	0.14

Fair value

(₹ in crore)

Particulars	Level	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment Property	Level 2	50.87	50.97	51.06

Brief description of the valuation technique and inputs used to value Investment Properties :

The Company's investment property consists of a commercial property situated in Kolkata, which has been partly let-out. The fair values as aforesaid are based on a valuation performed by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

There is a restriction on the realisability of the investment property regarding the transfer of title as it is taken on lease. There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

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5. INTANGIBLE ASSETS
(Internally Generated)

(₹ in crore)

Particulars	Computer Software	Intangible assets under development
Gross Carrying Amount		
Deemed Cost as at 1st April, 2015	-	4.25
Additions/Adjustments	4.50	0.25
Deductions/Adjustments	-	4.50
As at 31st March, 2016	**4.50**	**-**
Additions/Adjustments	-	-
Deductions/Adjustments	-	-
As at 31st March, 2017	**4.50**	**-**
Accumulated Amortisation		
As at 1st April, 2015	-	-
Charge for the year	0.04	-
Disposals / Adjustments	-	-
As at 31st March, 2016	**0.04**	**-**
Charge for the year	0.90	-
Disposals / Adjustments	-	-
As at 31st March, 2017	**0.94**	**-**
Net Carrying Amount :		
As at 31st March, 2017	**3.56**	**-**
As at 31st March, 2016	**4.46**	**-**
As at 1st April, 2015	-	4.25

5.1 The Company has used previous Indian GAAP carrying value as deemed cost to measure Intangible Assets as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).

5.2 Computer Software is amortised on a straight line basis over a period of 5 years.

6. INVESTMENTS IN SUBSIDIARIES

(₹ in crore)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NON-CURRENT INVESTMENTS				
Investments in Equity Instruments of Subsidiary Companies (Unquoted)				
(a) 10,79,958 Equity Shares of ₹10/- each,				
fully paid-up in Indian Metals and Carbide Limited.	**1.12**			
(31st March, 2016 : 10,79,958 shares, 1st April, 2015 : 10,49,960 shares)				
Less : Impairment loss	**1.06**	0.06	0.06	0.03
(b) 4,50,000 Equity Shares of ₹10/- each,		0.45	0.45	0.45
fully paid-up in Utkal Power Limited.				
(31st March, 2016 : 4,50,000 shares, 1st April, 2015 : 4,50,000 shares)				
(c) 1,98,00,000 Equity Shares of ₹ 10/-each,		111.42	111.95	111.95
fully paid-up in Utkal Coal Limited.				
(31st March, 2016 : 1,98,00,000 shares, 1st April, 2015 : 1,98,00,000 shares)				

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(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Also refer Note No. 46)			
(d) 23,00,000 Equity Shares of ₹10/- each,	2.30	2.30	2.30
fully paid-up in IMFA Alloys Finlease Limited.			
(31st March, 2016 : 23,00,000 shares, 1st April, 2015 : 23,00,000 shares)			
(e) 10,55,384 Equity Shares of ₹10/- each,	1.06	1.06	0.98
fully paid-up in Utkal Green Energy Limited.			
(31st March, 2016 : 10,55,384 shares, 1st April, 2015: 9,80,000 shares)			
(f) 1,47,38,801 Equity Shares	53.13	53.13	53.13
fully paid-up in Indmet Mining Pte Limited. (refer Note 6.2 below)			
(31st March, 2016 : 1,47,38,801 shares, 1st April, 2015 : 1,47,38,801 shares)			
Aggregate amount of unquoted investments	**168.42**	**168.95**	**168.84**

Notes:

6.1 On transition to Ind AS, the Company has availed the exemption available under Ind AS 101 - "First-time adoption of Indian Accounting Standards" to use previous Indian GAAP carrying value as deemed cost to measure investments in subsidiaries.

6.2 Indmet Mining Pte Ltd ('Indmet'), a wholly-owned subsidiary incorporated in Singapore, has investment of USD 8.75 Million (₹ 56.04 crore) [31st March, 2016 USD 8.75 million (₹ 57.64 crore), 1st April, 2015 USD 8.75 million (₹ 54.41 crore)] in its Indonesian subsidiary PT Sumber Rahayu Indah ('PT Sumber'). PT Sumber is holding a coal mining concession in Indonesia but due to overlapping boundary issues, the mining concession could not be operationalised till date.

The Company initiated arbitration proceedings against the Government of the Republic of Indonesia on 24th July, 2015 pursuant to Article 3 of the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules and Article 9 of the Agreement between the Governments of the Republic of Indonesia and the Republic of India for the Promotion and Protection of Investments (the "Treaty"), raising claims of breach of the protections granted under the Treaty. On 23rd December, 2016, the Company has filed its statement of claim and hearing on the arbitration proceedings are under progress.

No provision is considered necessary by the Company at this stage towards any diminution in the carrying value of it's investment in Indmet amounting to ₹ 53.13 crore.

7. TRADE RECEIVABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good*	11.39	11.39	11.39
	11.39	**11.39**	**11.39**

* due pending resolution of sub-judice matters

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to Financial Statements

8. LOANS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, Considered good			
Security and Other Deposits	22.84	12.32	10.64
	22.84	**12.32**	**10.64**

9. OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-Current portion of Other Bank Balances			
-Fixed Deposits with bank having balance maturity of more than twelve months (Under Lien*)	0.77	0.05	0.05
Derivative Assets			
- Swaps not designated as hedge	-	7.44	7.66
	0.77	**7.49**	**7.71**

* Margin money deposits

10. OTHER NON-CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Advances	3.22	1.62	11.71
Deposit for electricity duty in No Lien & Escrow Accounts (refer Note No. 50)	100.75	100.75	93.02
Interest accrued but not due on Fixed Deposits with Banks	46.67	37.74	27.26
Prepaid Rent for Operating Leases	7.18	7.80	0.05
	157.82	**147.91**	**132.04**

11. INVENTORIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	176.26	157.89	165.86
Raw Materials-in-Transit	18.87	32.26	43.77
Finished Goods	82.46	77.35	101.99
Finished Goods-in-Transit	27.66	31.20	34.75
Stores and Spares	34.71	32.04	38.04
Loose Tools	0.12	0.11	0.11
	340.08	**330.85**	**384.52**

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12. INVESTMENTS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
CURRENT INVESTMENTS			
Investments in Mutual Funds - Unquoted			
78,634.44 units (31st March, 2016 : 78,634.44 units, 1st April, 2015 : Nil) of Birla Sunlife Cash Manager-Growth-Direct Plan,	3.19	2.93	-
Nil units (31st March, 2016 : 6,16,433.29 units, 1st April, 2015: Nil) of Birla Sunlife Savings Fund-Growth-Direct Plan,	-	18.11	-
20,15,380.01 units (31st March, 2016 : Nil , 1st April, 2015: Nil) of Birla Sunlife Cash Plus-Growth-Direct Plan,	55.02	-	-
4,47,235.63 units (31st March, 2016 : Nil, 1st April, 2015: Nil) Reliance Money Manager Fund - Growth Plan Growth Option	100.29	-	-
Aggregate amount of unquoted investments	**158.50**	**21.04**	**-**

13. TRADE RECEIVABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	66.68	14.80	53.11
Doubtful	0.38	0.38	0.38
Less: Provision for doubtful debts	(0.38)	(0.38)	(0.38)
	66.68	**14.80**	**53.11**

14. CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks:			
In Current Accounts [includes unclaimed dividend of ₹ 1.05 crore (31st March, 2016: ₹ 0.80 crore, 1st April, 2015: ₹ 0.74 crore)]	4.55	4.33	7.54
Fixed Deposits with Banks having balance maturity of three months or less:			
-Not under Lien	-	-	25.74
-Under Lien*	1.86	0.08	2.67
Cash on hand	0.24	0.56	0.71
	6.65	**4.97**	**36.66**
* includes			
Margin money deposits			
- 3 months or less	**1.86**	0.08	0.07
Deposits pledged with banks against borrowings			
- 3 months or less	-	-	2.60

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15. OTHER BANK BALANCES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed Deposits with Banks having balance maturity of twelve months or less:			
-Not under Lien	-	21.78	14.85
-Under Lien*	20.19	20.03	21.03
	20.19	**41.81**	**35.88**
* includes			
Margin money deposits			
- 12 months or less	1.91	1.75	0.35
Deposits pledged with banks against borrowings			
- 12 months or less	18.28	18.28	20.68

16. LOANS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, Considered good			
Loan to subsidiaries (refer Note No. 16.1)	263.78	174.00	146.77
	263.78	**174.00**	**146.77**

Note:

16.1 Details of Loans given to / Guarantees given on behalf of Subsidiaries

(₹ in crore)

Name of the Company	Nature	Amount outstanding		Maximum amount outstanding during		Purpose for which the loan / Guarantee utilised / to be utilised	Rate of Interest Per Annum
		As at 31st March, 2017	As at 31st March, 2016	2016-17	2015-16		
Utkal Coal Limited*	Loan	262.81	173.12	263.12	173.23	Setting up of Coal Mining Project	12.60%
Utkal Coal Limited	Guarantee	-	77.56	77.56	90.48	Guarantee utilised for obtaining loan from a Financial Institution	N.A.
Utkal Power Limited	Loan	0.96	0.88	0.96	0.88	To meet operational fund requirements	9.00%
Utkal Green Energy Limited	Loan	-	-	-	0.06	To meet operational fund requirements	9.00%
Indian Metals and Carbide Limited	Loan	0.01	-	0.01	0.01	To meet operational fund requirements	9.00%

The aforesaid loans are repayable on demand and carry a rate of interest which is not below that as mentioned in Section 186 of the Companies Act, 2013

*Also refer Note Nos. 46 & 47

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17. OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrued but not due on Fixed Deposits with Banks	0.43	1.45	2.56
Derivative Assets			
- Foreign currency forward contracts not designated as hedge	6.53	3.92	2.23
- Swaps not designated as hedge	2.97	-	0.51
- Prepayment option on Loans	-	0.02	0.07
	9.93	**5.39**	**5.37**

18. OTHER CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances to Suppliers	37.70	27.65	37.41
Deposits with Excise and Customs	83.65	80.45	68.42
Export Incentives Receivable	22.88	13.09	30.37
Advance Royalty	-	6.10	8.03
Advance Custom Duty	2.09	4.09	9.50
Prepaid Expenses	10.07	3.34	3.04
Prepaid Rent for Operating Leases	0.63	0.63	0.02
VAT Credit Receivable	3.11	0.89	2.05
Employee Advances	0.11	0.41	0.83
Other Advances	0.52	2.58	3.49
Assets classified as held for sale	0.06	0.09	1.40
	160.82	**139.32**	**164.56**

19. SHARE CAPITAL

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised:			
Equity Shares:			
3,00,00,000 Equity Shares, ₹10/- par value per share	30.00	30.00	30.00
(31st March, 2016 : 3,00,00,000 Equity Shares , 1st April, 2015 : 3,00,00,000 Equity Shares)			
Preference Shares:			
40,000 9.5% Redeemable Cumulative Preference Shares, ₹ 100/- par value per share	0.40	0.40	0.40
(31st March, 2016 : 40,000 Preference Shares , 1st April, 2015 : 40,000 Preference Shares)			
2,60,000 IInd Series Redeemable Cumulative Preference Shares, ₹ 100/- par value per share	2.60	2.60	2.60
(31st March, 2016 : 2,60,000 Preference Shares, 1st April, 2015 : 2,60,000 Preference Shares)			
	33.00	**33.00**	33.00
Issued, Subscribed and Paid-up:			
2,69,77,053 Equity Shares, ₹10 /- par value per share, fully paid	26.98	25.98	25.98
(31st March, 2016 : 2,59,77,053 Equity Shares, 1st April, 2015 : 2,59,77,053 Equity Shares)			
	26.98	**25.98**	**25.98**

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Reconciliation of the Number of Equity Shares outstanding

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**₹ in crore**	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	2,59,77,053	25.98	2,59,77,053	25.98	2,59,77,053	25.98
Add: Issued during the year	10,00,000	1.00	Nil	Nil	Nil	Nil
At the end of the year	2,69,77,053	26.98	2,59,77,053	25.98	2,59,77,053	25.98

Rights, preferences & restrictions in respect of each class of shares

The Company's authorised share capital consists of two classes of shares, referred to as Equity Shares and Preference Shares, having par value of ₹ 10/- and ₹ 100/- each respectively.

Each holder of Equity Share is entitled to one vote per share. The preferential shareholders have preferential right over equity shareholders in respect of repayment of capital and payment of dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Equity Shares of the Company held by holding/ultimate holding company

Name of the Holding Company	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**₹ in crore**	No. of shares	₹ in crore	No. of shares	₹ in crore
B Panda and Company Private Limited	13,918,046	13.92	-	-	-	-

Details of Shareholders holding more than 5% of the equity shares each

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**% of Shareholding**	No. of shares	% of Shareholding	No. of shares	% of Shareholding
B Panda and Company Private Limited	1,39,18,046	51.59	-	-	-	-
LITEC Company Limited	34,44,259	12.77	38,44,259	14.80	38,44,259	14.80
Fox Consulting Services Pte. Limited	17,90,500	6.64	17,90,500	6.89	17,90,500	6.89
Reliance Capital Trustee Company Limited-A/c Reliance Tax Saver (ELSS) Fund	17,29,374	6.41	13,40,974	5.16	13,40,974	5.16
Barabati Investment & Trading Company Private Limited	-	-	26,34,778	10.14	26,34,778	10.14
Paramita Investments & Trading Company Private Limited	-	-	26,34,778	10.14	26,34,778	10.14
KB Investments Private Limited	-	-	25,16,401	9.69	25,16,401	9.69
Madhuban Investments Private Limited	-	-	23,95,696	9.22	23,95,696	9.22

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20. BORROWINGS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
SECURED			
Rupee Term Loans from:			
Banks	650.13	656.42	686.05
Others	16.18	23.05	7.63
Foreign Currency Term Loans from:			
Banks	59.99	101.82	120.12
Vehicle Loans	1.91	0.19	0.24
Finance Lease Obligations	31.49	31.98	32.44
Total Borrowings	**759.70**	**813.46**	**846.48**
Less: Current Maturities			
Banks	122.07	127.51	113.79
Others	4.39	6.86	4.60
Finance Lease Obligations	0.54	0.49	0.45
	127.00	**134.86**	**118.84**
Total Non-Current Borrowings	**632.70**	**678.60**	**727.64**

20.1 Details of securities provided (including for current maturities as stated under "Current Liabilities - Other Financial Liabilities" in Note No. 27) and their repayment terms :

Amounts carried in Note No. 20 and 27 represent Amortised Cost whereas amounts mentioned herein below represent the payables as on the dates mentioned.

(EMI - Equated Monthly Instalment; EQI - Equated Quarterly Instalment; UQI : Unequated Quarterly Instalment)

Term Loans from Banks :

(a) Loan of ₹ 20.53 crore (31st March, 2016 : ₹ 31.96 crore, 1st April, 2015 : ₹ 41.10 crore) for setting up of Coal Handling Plant (CHP) at Choudwar, secured by first charge on the movable assets to be acquired out of the loan for CHP and first charge by way of mortgage on pari-passu basis on immovable properties of the Company situated at Choudwar excluding assets exclusively charged to other lenders. Repayment by 28 EQI of ₹ 2.29 crore from October'12.

(b) Loan of ₹ 50.00 crore (31st March, 2016 : ₹ 50.00 crore, 1st April, 2015 : ₹ 50.00 crore) for general capital expenditure, secured by first pari-passu charge on fixed assets at Choudwar excluding those which are exclusively charged to other project lenders. Repayment by 35 EMIs of ₹ 1.39 crore from April'17 and last instalment of ₹ 1.35 crore.

(c) Loan of ₹ 50.00 crore (31st March, 2016 : ₹ 50.00 crore, 1st April, 2015 : Nil) for general capital expenditure, secured by first pari-passu charge on fixed assets at Choudwar excluding those which are exclusively charged to other project lenders. Repayment by 24 EMI of ₹ 0.75 crore from October '17, thereafter 11 EMI of ₹ 2.66 crore and last instalment of ₹ 2.74 crore.

(d) Loan of ₹ 15.00 crore (31st March, 2016 : ₹ 63.00 crore, 1st April, 2015 : ₹ 81.00 crore) for general capital expenditure, secured by first pari-passu charge on fixed assets (both moveable & immovable) of the Company (both present & future) situated at Therubali other than assets exclusively charged to other lenders. Subservient charge on the current assets of the Company. Repayment by 20 EQI from December'14.

(e) Loan of ₹ 128.00 crore (31st March, 2016 : Nil, 1st April, 2015 : Nil) for 30 MW Captive Power Plant (CPP) at Choudwar and general capital expenditure, secured by exclusive charge over the assets of CPP, first pari-passu charge on plot no. 43 on which CPP has been erected at Choudwar, with other term lenders and first pari-passu charge on fixed assets (both moveable & immovable) of the Company (both present & future) situated at Therubali other than assets exclusively charged to other lenders. Repayment by 4 EQI of ₹ 2.25 crore from December '17, 4 EQI of ₹ 3.00 crore from December '18, 8 EQI of ₹ 3.75 crore from December '19 and 22 EQI of ₹4.50 crore from December '21.

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(f) Loan of ₹ 95.39 crore (31st March, 2016 : ₹ 104.50 crore, 1st April, 2015 : ₹ 110.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(g) Loan of ₹ 86.72 crore (31st March, 2016 : ₹ 95.00 crore, 1st April, 2015: ₹ 100.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(h) Loan of ₹ 60.70 crore (31st March, 2016 : ₹ 66.50 crore, 1st April, 2015 : ₹ 70.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(i) Loan of ₹ 86.72 crore (31st March, 2016 : ₹ 95.00 crore, 1st April, 2015 : ₹ 100.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(j) Loan of ₹ 43.32 crore (31st March, 2016 : ₹ 47.48 crore, 1st April, 2015 : ₹ 50.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(k) Loan of ₹ 6.81 crore (31st March, 2016 : ₹ 4.81 crore, 1st April, 2015 : ₹1.64 crore) for setting up of Industrial Training Centre (ITC) at Sukinda, secured by mortgage of lease hold right of property situated at Khata No. 100, Plot No 238(P), Mauza- Dudhjhari, Sukinda Dist- Jajpur, admeasuring 5 acres and building to be constructed thereon along with the Furniture & Fixtures, Computers and Equipments to be purchased out of the loan. Repayment by 24 EQI from September'16.

(l) Loan of ₹ 22.45 crore (31st March, 2016 : ₹19.38 crore, 1st April, 2015 : ₹ 9.54 crore) for Housing Project at Choudwar, secured by mortgage of residential land admeasuring 10 acres 920 decimal (475675.20 sq fts) situated at Plot No. 34/78 & 34/82, Tahsil-Tangi Choudwar, PS-Choudwar, Mouza-Chhatisa No.2, Cuttack, Odisha and the proposed building to be constructed. Repayment of ₹ 20.00 crore by 24 UQI from June'16 and ₹ 5.85 crore in 24 EQI from February '18.

(m) Vehicle Loan of ₹ 1.91 crore (31st March, 2016 : ₹ 0.18 crore, 1st April, 2015 ₹ 0.24 crore) secured by charge on the Vehicles. Repayment in EMI as per the repayment schedules of respective vehicles.

(n) Loan of ₹ 18.01 crore (31st March, 2016 : ₹ 43.23 crore, 1st April, 2015 : ₹ 54.45 crore) for setting up of Briquetting plant, Gas Cleaning plant, Fly Ash Brick plant and Low Density Aggregate plant, secured by first exclusive charge by way of hypothecation over plant & machinery of 27 MVA furnace at Choudwar and charge on all the present and future movable fixed assets of Gas Cleaning plant & Briquetting plant at Therubali, Low Density Aggregate plant and Fly Ash Brick plant I and II at Choudwar. Repayment by 16 EQI from January'14.

(o) Loan of ₹ 41.83 crore (31st March, 2016 : ₹ 58.67 crore, 1st April, 2015 : ₹ 59.07 crore) for general capital expenditure, secured by first and exclusive charge by way of hypothecation over plant & machinery of 27 MVA furnace at Choudwar. First and exclusive charge on all the present and future moveable fixed assets of Gas Cleaning plant & Briquetting plant at Therubali, Low Density Aggregate plant and Fly Ash Brick plant I and II at Choudwar. Repayment by 16 EQI from February'16.

Note:
Term Loans from Banks amounting to ₹ 20.53 crore (31 March, 2016 : ₹ 31.96 crore, 1st April, 2015 : ₹ 82.86 crore) are further secured by personal guarantees of 2 directors of the Company.

Term Loans from Others:
Loan of ₹ 16.30 crore (31st March, 2016 : ₹ 20.00 crore, 1st April, 2015 : Nil) for capital expenditure related to power plants and other ancillary infrastructure, secured by first charge on Aircraft and two helicopters. Subservient charge on current assets of the Company. Repayment by 54 EMIs from June '16.

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21. OTHER FINANCIAL LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Derivative Liabilities			
- Swaps not designated as hedge	11.75	27.70	8.51
Others	1.33	1.33	1.33
	13.08	**29.03**	**9.84**

22. PROVISIONS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits (refer Note No. 43)	9.47	7.95	4.85
	9.47	**7.95**	**4.85**

23. DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Deferred Tax Liabilities:			
Difference between tax base and book base of Property, Plant and Equipment, Investment Property and Intangible Assets	103.73	96.01	103.97
Financial assets at Fair value through profit and loss	0.87	-	1.46
(b) Deferred Tax Assets:			
Carry forward business loss and unabsorbed depreciation	-	(17.55)	-
Financial assets at Fair value through profit and loss	-	(3.59)	-
Defined Benefit Obligations	(3.37)	(2.78)	(1.91)
Others	(3.60)	(2.15)	(2.39)
Net Deferred Tax Liabilities	**97.63**	**69.94**	**101.13**
Less: MAT Credit Entitlement	19.17	31.94	32.48
	78.46	**38.00**	**68.65**

24. OTHER NON-CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Electricity Duty	130.11	128.57	121.35
	130.11	**128.57**	**121.35**

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25. BORROWINGS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans Repayable on Demand			
Working Capital Loans from Banks	181.37	174.18	213.01
Buyers' Credit	-	26.63	-
	181.37	**200.81**	**213.01**

25.1 Working Capital Loans from banks are secured by charge over stocks, receivables & current assets.

26. TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro and small enterprises (refer Note No. 26.1)	-	-	-
Others	117.84	138.92	167.34
	117.84	**138.92**	**167.34**

26.1 Micro and Small Enterprises under the Micro and Small Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:.

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-	-
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) The amount of interest accrued and remaining unpaid	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
	-	**-**	**-**

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

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27. OTHER FINANCIAL LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Maturities of Borrowings (refer Note No. 20)	126.46	134.37	118.39
Current Maturities of Finance Lease Obligations (refer Note No. 20)	0.54	0.49	0.45
Liability for Operating and Other Expenses	67.06	62.65	43.26
Creditors for Capital Goods	7.62	10.42	11.97
Interest accrued but not due on borrowings	1.74	3.17	3.94
Earnest Money and Security Deposits	1.96	1.52	12.29
Commission / Remuneration Payable to Directors	18.80	0.46	0.25
Payable to Employees	8.51	7.88	7.66
Unclaimed Dividend *	1.05	0.80	0.74
Financial Guarantee Liability	-	0.53	0.53
	233.74	**222.29**	**199.48**

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

28. OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Liability for Operating and Other Expenses	1.08	0.54	1.16
Statutory Liabilities	36.11	33.94	12.90
Advance from Customers	0.15	0.63	0.71
	37.34	**35.11**	**14.77**

29. PROVISIONS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits (refer Note No. 43)	6.48	3.88	5.44
	6.48	**3.88**	**5.44**

30. REVENUE FROM OPERATIONS

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of products (including Excise Duty)		
Ferro Chrome	1,650.49	1176.55
Fly Ash Bricks	1.04	2.19
Low Density Aggregate	0.02	0.03
	1,651.55	**1,178.77**
Other Operating Revenues:		
Export Incentives	40.92	39.84
Sale of Scrap	4.57	7.92
	1,697.04	**1,226.53**

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31. OTHER INCOME

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest		
-Fixed Deposits	1.90	4.67
-Others	7.10	4.76
Rent	0.12	0.11
Profit on Sale of Property, Plant and Equipment [including profit on sale of assets classified as held for sale ₹ 0.22 crore (Previous Year: ₹ 0.13 crore)]	1.33	1.61
Claims Received	0.35	0.41
Dividend	1.38	0.92
Profit on sale of Current Investments	2.56	0.13
Gain on fair valuation of Current Investments	0.48	0.17
Liability no longer required written back	1.83	0.21
Gain on foreign currency transactions and translations	29.99	-
Other non-operating Income	2.31	3.49
	49.35	**16.48**

32. COST OF MATERIALS CONSUMED

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Coal	231.38	212.33
Chrome Ore	309.73	259.57
Quartz	7.59	6.61
Coke	166.60	162.91
Carbon paste	17.72	16.36
Other materials	11.85	14.57
	744.87	**672.35**
Less: Inter Unit transfer of Chrome Ore (Net)	38.32	16.48
	706.55	**655.87**

33. CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Closing stock of finished goods	110.12	108.55
Opening stock of finished goods	108.55	136.74
	(1.57)	**28.19**

34. EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries, Wages, Bonus, Allowances etc.	156.77	121.58
Contribution to Provident and Other Funds	9.95	11.06

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(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Workmen and Staff Welfare Expenses	3.53	2.77
	170.25	**135.41**

35. FINANCE COSTS

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest Expense	78.94	75.16
Exchange differences regarded as an adjustment to borrowing costs	(3.65)	3.74
Other Borrowing Costs	11.04	4.71
	86.33	**83.61**

36. OTHER EXPENSES

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Manufacturing expenses		
Consumption of stores, spares and loose tools	21.15	17.18
Consumption of electricity	13.48	17.99
Electricity Duty	30.14	20.16
Energy transmission charges	7.64	5.51
Repairs and Maintenance :		
- Plant and Machinery	25.82	22.42
- Buildings	4.83	2.79
- Others	5.82	5.36
Finished stock and slag handling expenses	22.39	13.66
Other factory expenses	25.95	22.51
Excise duty on closing stock of finished goods	1.23	(2.40)
	158.45	125.18
Selling and Distribution expenses		
Carriage outward and handling expenses	56.96	52.11
Export promotion expenses	1.84	2.32
Other selling expenses	21.51	17.51
	80.31	**71.94**
Establishment and other expenses		
Insurance	3.71	3.17
Rent	4.12	4.07
Rates and taxes	3.63	2.06
Travelling and conveyance	6.98	6.16
Legal and professional fees	9.44	9.22
Payments to the Auditor (refer Note No. 36.1)	0.40	0.37
Director's Fees	0.04	0.04
Loss on foreign currency transactions and translations	-	26.94
Corporate Social Responsibility Expenses (refer Note No. 53)	1.77	1.83

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(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Impairment Loss Allowance	0.35	0.10
Fair Value Changes to Prepayment option on Loans	0.02	0.05
Miscellaneous expenses	12.57	17.68
	43.03	71.69
Total Other Expenses	**281.79**	**268.81**

36.1 Payments to the Auditor (excluding service tax)

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
As Auditor - Statutory Audit & Limited Reviews	0.33	0.33
For Other Services	0.02	0.01
For reimbursement of expenses	0.05	0.03
	0.40	**0.37**

37. EARNINGS PER SHARE

		Year ended 31st March, 2017	Year ended 31st March, 2016
(a)	Profit/(Loss) after tax attributable to Equity Shareholders (₹ in crore)	249.83	(44.73)
(b)	Weighted Average number of Equity Shares	2,62,86,642	2,59,77,053
(c)	Basic and diluted earnings per share (in ₹)	95.04	(17.22)
(d)	Nominal value per Equity Share (in ₹)	10.00	10.00

38. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	Contingent Liabilities			
(a)	Claims against the Company not acknowledged as debts:			
	Government Claims			
(i)	Income Tax (deposits made under protest 31st March, 2017 : ₹ 38.73 crore, 31st March, 2016 : ₹ 31.33 crore, 1st April, 2015 : ₹ 16.47 crore)	38.90	40.68	24.74
(ii)	Cenvat Credit reversal and penalty thereon (deposits made under protest 31st March, 2017 : ₹ 0.74 crore, 31st March, 2016 : ₹ 0.02 crore, 1st April, 2015 : ₹ 0.01 crore)	19.41	0.45	0.45
(iii)	Excise Duty (deposits made under protest 31st March, 2017 : ₹ 0.21 crore, 31st March, 2016 : ₹ 0.21 crore, 1st April, 2015 : ₹ 0.18 crore)	0.40	0.40	0.39
(iv)	Provisional duty bonds to customs authority pending final debonding of 100% EOU	Amount not quantifiable	Amount not quantifiable	Amount not quantifiable
(v)	Entry tax (deposits made under protest 31st March, 2017 : ₹ 4.82 crore, 31st March, 2016 : ₹ 4.92 crore, 1st April, 2015 : ₹ 4.78 crore)	11.52	14.23	13.82
(vi)	Sales tax (deposits made under protest 31st March, 2017 : ₹ 1.62 crore, 31st March, 2016 : ₹ 1.62 crore, 1st April, 2015 : ₹ 1.60 crore)	1.74	1.74	1.74
(vii)	Value Added Tax (deposits made under protest 31st March, 2017 : ₹ 1.60 crore, 31st March, 2016 : Nil, 1st April, 2015 : Nil)	1.63	-	-

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(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(viii) State Govt./Local Authority rent, duties, levies & cess etc. (deposits made under protest 31st March, 2017 : ₹ 13.11 crore, 31st March, 2016 : ₹ 0.06 crore, 1st April, 2015 : ₹ 0.06 crore)	73.65	59.08	28.49
Other Claims			
Legal suits filed against the Company	0.87	1.54	0.74

(b) Other money for which the Company is contingently liable :

Demand notices in respect of six mines have been raised by the respective Deputy Director of Mines and Mining Officers of Government of Odisha amounting to ₹ 237.06 crore for the alleged excess extraction of minerals over the quantity permitted under the mining plan/scheme, environmental clearance or consent to operate and other statutory permissions during the period from 1993 to 2010 under Section 21(5) of Mines & Minerals (Development and Regulation) Act, 1957 ('Act'). However, Section 21(5) of the Act specifies that demand can be raised only when the minerals were extracted from the land which is occupied without lawful authority i.e. outside leasehold area. The Company is of the view that Section 21(5) of the Act is not applicable as the mining is done within the leasehold area under the supervision and approval of the State and Central Govt. Hence, the Company filed Revision Applications before Mines Tribunal, New Delhi against all such demands. Stay has been granted by the Mines Tribunal against such Demand Notices and the matters are pending.

B. Commitments:

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of capital contracts remaining to be executed and not provided for (Net of Advances)	**34.17**	**43.30**	**55.71**

39. FINANCIAL RISK MANAGEMENT

39.1 Financial risk factors

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans and advances, investment in mutual funds, trade receivables and cash and bank balances that arise directly from its operations. The Company also enters into derivative transactions to hedge foreign currency and interest rate risks and not for speculative purposes. The Company is exposed to market risk, credit risk and liquidity risk and the Company's senior management oversees the management of these risks.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

(a) Currency risk

Foreign currency risk is the risk that fair value of future cash flow of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. For exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on the risk perception of the management. The Company has entered into foreign currency forward contracts and cross currency swap contracts.

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The following table demonstrates the sensitivity in the USD to the Indian Rupee and the resulting impact on the Company's Profit /(Loss) before tax, due to changes in the fair value of monetary assets and liabilities :

(₹ in crore)

Particulars	Change in currency exchange rate		Effect on Profit / (Loss) Before Tax	
	Year ended 31st March, 2017	Year ended 31st March, 2016	**Year ended 31st March, 2017**	Year ended 31st March, 2016
USD	+5%	+5%	(11.59)	(16.55)
	-5%	-5%	11.59	16.55

(b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Any changes in the interest rates environment may impact future cost of borrowings. To manage this, the Company has entered into interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

The following table demonstrates the fixed and floating rate borrowings of the Company:

(₹ in crore)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016
Floating rate borrowings	907.67	982.10
Fixed rate borrowings	**33.40**	**32.17**

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks and other financial instruments.

(a) Trade receivables

The Company extends credit to customers in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent. An impairment analysis is performed at each reporting date on an individual basis for major customers.

The ageing of trade receivables is as follows:

(₹ in crore)

Particulars	Outstanding			Total
	upto 6 months	Above 6 months and upto 12 months	Above 12 months	
Trade receivables				
As at 31st March 2017				
Secured	-	-	-	-
Unsecured	53.39	0.43	24.63	78.45
Gross total	**53.39**	**0.43**	**24.63**	**78.45**
Provision for doubtful debts	-	-	(0.38)	(0.38)

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(₹ in crore)

Particulars	Outstanding upto 6 months	Outstanding Above 6 months and upto 12 months	Outstanding Above 12 months	Total
Net total	**53.39**	**0.43**	**24.25**	**78.07**
As at 31st March 2016				
Secured	-	-	-	-
Unsecured	10.06	-	16.51	26.57
Gross total	**10.06**	**-**	**16.51**	**26.57**
Provision for doubtful debts	-	-	(0.38)	(0.38)
Net total	**10.06**	**-**	**16.13**	**26.19**

(b) Deposits with banks and other financial instruments

The Company considers factors such as track record, market reputation and service standards to select the mutual funds for investments and banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Company has also availed borrowings. The Company does not maintain significant cash balances other than those required for its day to day operations.

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, letter of credit and working capital limits. The Company ensures it has sufficient cash to meet operational needs while maintaining sufficient margin on its undrawn borrowing facilities at all times.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crore)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016
Floating rate		
- Expiring within one year - Working Capital Loans	145.63	126.19
- Expiring within one year - Term Loans	24.40	-
- Expiring beyond one year - Term Loans	**1.93**	**11.66**

Subject to the continuance of satisfactory credit ratings, the bank facilities may be drawn at any time. Average maturity of undrawn facilities of term loans expiring beyond one year is 5.25 years (As at 31st March, 2016: 6.75 years).

39.2 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

40. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

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(₹ in crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at fair value through profit or loss						
Investment in Mutual Funds	158.50	158.50	21.04	21.04	-	-
Derivative assets	9.50	9.50	11.36	11.36	10.40	10.40
Prepayment option on Loans	-	-	0.02	0.02	0.07	0.07
Financial Assets designated at amortised cost						
Trade Receivables	78.07	78.07	26.19	26.19	64.50	64.50
Loan to Subsidiaries	263.78	263.78	174.00	174.00	146.77	146.77
Cash and Cash Equivalents	6.65	6.65	4.97	4.97	36.66	36.66
Security and Other Deposits	22.84	22.84	12.32	12.32	10.64	10.64
Fixed Deposits with Banks	20.96	20.96	41.86	41.86	35.93	35.93
Interest accrued but not due on Fixed Deposits with Banks	0.43	0.43	1.45	1.45	2.56	2.56
Total Financial Assets	**560.73**	**560.73**	**293.21**	**293.21**	**307.53**	**307.53**
Financial Liabilities designated at fair value through profit or loss						
Derivative Liabilities	11.75	11.75	27.70	27.70	8.51	8.51
Financial Guarantee Liability	-	-	0.53	0.53	0.53	0.53
Financial Liabilities designated at amortised cost						
Borrowings (including current maturities)	941.07	941.07	1,014.27	1,014.27	1,059.49	1,059.49
Trade Payables	117.84	117.84	138.92	138.92	167.34	167.34
Creditors for Capital Goods	7.62	7.62	10.42	10.42	11.97	11.97
Liability for Operating and Other Expenses	67.06	67.06	62.65	62.65	43.26	43.26
Interest accrued but not due on borrowings	1.74	1.74	3.17	3.17	3.94	3.94
Earnest Money and Security Deposits	1.96	1.96	1.52	1.52	12.29	12.29
Commission / Remuneration Payable to Directors	18.80	18.80	0.46	0.46	0.25	0.25
Payable to Employees	8.51	8.51	7.88	7.88	7.66	7.66
Unclaimed Dividend	1.05	1.05	0.80	0.80	0.74	0.74
Other Financial Liabilities	1.33	1.33	1.33	1.33	1.33	1.33
Total Financial Liabilities	**1,178.73**	**1,178.73**	**1,269.65**	**1,269.65**	**1,317.31**	**1,317.31**

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate certain fair values:

i) The fair values of the mutual funds are based on their published Net Asset Values at the reporting date.

ii) Fair value of cash and deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short- term maturities of these instruments.

iii) The fair values of derivatives are based on marked to market valuation statements received from banks with whom the company has entered into the relevant contracts.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

i) Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

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ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable, then the instrument is included in level 2.

iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹in crore)

Particulars	**As at 31st March, 2017**			As at 31st March, 2016			As at 1st April, 2015		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Mutual Funds	158.50	-	-	21.04	-	-	-	-	-
Derivative Assets	-	9.50	-	-	11.36	-	-	10.40	-
Prepayment option on Loans	-	-	-	-	0.02	-	-	0.07	-
Total Financial Assets	**158.50**	**9.50**	**-**	**21.04**	**11.38**	**-**	**-**	**10.47**	**-**
Financial Liabilities									
Derivative Liabilities	-	11.75	-	-	27.70	-	-	8.51	-
Financial Guarantee Liability	-	-	-	-	0.53	-	-	0.53	-
Total Financial Liabilities	**-**	**11.75**	**-**	**-**	**28.23**	**-**	**-**	**9.04**	**-**

During the year ended 31st March, 2017 and 31st March, 2016, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under Level 3.

Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy, as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 :

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial Assets			
Derivative Assets			
- Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flow
-Interest rate and cross currency swaps	Level 2	Market valuation techniques	Prevailing/forward interest rates in market, interest rates to discount future cash flow
Prepayment option of loans	Level 2	Discounted cash flow technique	Risk free interest rate to discount contractual cash flows, interest rate on the loan
Financial Liabilities			
Derivative Liabilities			
-Interest rate and cross currency swaps	Level 2	Market valuation techniques	Prevailing/forward interest rates in market, interest rates to discount future cash flow
-Financial Guarantee Liability	Level 2	Discounted cash flow of probable cash shortfall	Risk free rate of return as provided by Fixed Income Money Market and Derivatives Association of India (FIMMDA), ICRA transition matrix

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41. DERIVATIVE INSTRUMENTS

(a) The Company uses derivative instruments to hedge foreign currency and interest rate risks and not for speculative purposes. The outstanding contracts entered into by the Company are given below :

Particulars	As at 31st March, 2017 Nos.	US Dollar equivalent (in Million)	INR equivalent (in crore)
Forward Contracts	58	14.50	92.87
Interest Rate Swap with USD/INR Call Option	1	2.81	18.01
Interest Rate Swap	1	6.53	41.83
Cross Currency Swap	6	48.60	311.30

Particulars	As at 31st March, 2016 Nos.	US Dollar equivalent (in Million)	INR equivalent (in crore)
Forward Contracts	79	21.75	143.27
Interest Rate Swap with USD/INR Call Option	1	6.56	43.23
Interest Rate Swap	1	8.91	58.67
Cross Currency Swap	6	63.09	415.55

Particulars	As at 1st April, 2015 Nos.	US Dollar equivalent (in Million)	INR equivalent (in crore)
Forward Contracts	92	24.00	149.23
Interest Rate Swap with USD/INR Call Option	1	10.31	64.12
Interest Rate Swap	1	9.50	59.07
Cross Currency Swap with Call Spread	1	1.24	7.68
Cross Currency Swap	3	40.07	249.14

(b) The foreign currency exposures that are not hedged by a derivative instrument as at year end are given below :

Particulars	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Loans Payable	**Payable for import of goods**	Loans Payable	Payable for import of goods	Loans Payable	Payable for import of goods
US Dollar (in Million)	35.57	3.66	35.65	5.24	43.94	9.34
Euro (in Million)	-	-	-	0.06	-	-
INR (in crore)	227.85	23.47	234.79	34.93	273.21	58.08

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42. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 12 - INCOME TAXES

(i) Numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate :

(₹ in crore)

Particulars	Year ended 31st March, 2017
Profit Before Taxes (Accounting Profit)	369.66
Applicable tax rate (as enacted by the relevant Finance Act)	34.608%
Computed tax expense	127.93
Increase/(reduction) in the aforesaid computed tax expense on account of:	
Tax holiday u/s 80-IA	(14.77)
Dividend, being exempt from tax	(0.48)
Profit on sale of Property, Plant & Equipment (Net), not taxable	(0.29)
Expenses not deductible	0.47
Deferred tax related adjustments (including impact on deferred tax for the year due to change in applicable tax rate)	6.97
Income tax expense (Current tax + Deferred tax)	**119.83**

Note : Since, the Company had incurred an accounting loss in the previous year, the numerical reconciliation is not relevant for that year.

(ii) Movement in Deferred Tax Liabilities /(Assets) :

(₹ in crore)

Particulars	Property, plant and equipment and investment property	Intangible assets	Financial assets at FVTPL	Defined benefit plan	Carry forward business loss	Others	Total
As at 1st April 2015	**103.97**	**-**	**1.46**	**(1.91)**	**-**	**(2.39)**	**101.13**
Charged /(credited)							-
- to profit or loss	(8.67)	0.71	(5.05)	(0.26)	(17.55)	0.24	(30.58)
- to other comprehensive income	-	-	-	(0.61)	-	-	(0.61)
As at 31st March, 2016	**95.30**	**0.71**	**(3.59)**	**(2.78)**	**(17.55)**	**(2.15)**	**69.94**
Charged/(credited)							
- to profit or loss	7.98	(0.26)	4.45	(0.68)	17.55	(1.44)	27.60
- to other comprehensive income	-	-	-	0.09	-	-	0.09
As at 31st March, 2017	**103.28**	**0.45**	**0.86**	**(3.37)**	**-**	**(3.59)**	**97.63**

43. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 19 - EMPLOYEE BENEFITS

(a) Defined Contribution Plan:

Contributions under Defined Contribution Plan as recognised in the Statement of Profit and Loss by the Company are as follows:

(₹ in crore)

Particulars	**Year ended 31st March, 2017**	Year ended 31st March, 2016
Employer's contribution towards:		
- Provident Fund	3.19	3.81
- Employee Pension Scheme	2.65	2.35
- Employee State Insurance	1.02	0.80
- Superannuation Fund	1.06	1.14

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(b) Defined Benefit Plan:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The Employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by a trust maintained with Life Insurance Corporation of India (LIC). The Employees Leave Encashment Scheme, which is a defined benefit plan is unfunded.

The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognises each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to buildup the final obligation.

The following table sets out the details of amount recognised in the financial statements in respect of employee benefit schemes:

(i) The amounts recognised in the Balance Sheet are as under:

(₹ in crore)

Particulars	Gratuity	Gratuity	Gratuity	Leave Encashment	Leave Encashment	Leave Encashment
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Present Value of obligation	23.97	22.37	19.83	6.81	6.43	4.90
Fair value of plan assets	(21.04)	(19.80)	(19.11)	-	-	-
Net (Assets) / liabilities recognised in balance sheet	2.93	2.57	0.72	6.81	6.43	4.90
Non Current	23.15	18.98	16.39	6.54	5.39	4.14
Current	0.82	3.39	3.44	0.27	1.04	0.76

(ii) Changes in present value of obligation:

(₹ in crore)

Particulars	Gratuity	Gratuity	Gratuity	Leave Encashment	Leave Encashment	Leave Encashment
	2016-17	2015-16	2014-15	**2016-17**	2015-16	2014-15
Present Value of obligation at the beginning of the year	22.37	19.83	18.46	6.43	4.90	4.20
Interest Cost	1.78	1.69	1.53	0.51	0.45	0.36
Current service cost	1.21	1.70	1.46	0.12	1.21	1.10
Benefits paid	(1.89)	(1.95)	(1.41)	(0.92)	(2.05)	(1.90)
Actuarial (gain)/loss on obligation	0.50	1.10	(0.21)	0.67	1.92	1.14
Present value of obligation as at the end of the year	23.97	22.37	19.83	6.81	6.43	4.90

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(iii) Changes in plan assets:

(₹ in crore)

Particulars	Gratuity **As at 31st March, 2017**	Gratuity As at 31st March, 2016	Gratuity As at 1st April, 2015	Leave Encashment **As at 31st March, 2017**	Leave Encashment As at 31st March, 2016	Leave Encashment As at 1st April, 2015
Fair Value of plan assets as at the beginning of the year	19.80	19.11	17.78	-	-	-
Return on plan assets	1.42	1.56	1.47	-	-	-
Contributions	1.71	1.58	1.47	-	-	-
Benefits paid	(1.89)	(1.95)	(1.41)	-	-	-
Actuarial gain/ (loss) on plan assets	-	(0.50)	(0.20)	-	-	-
Fair value of plan assets as at the end of the year	21.04	19.80	19.11	-	-	-

(iv) Recognised in profit and loss:

(₹ in crore)

Particulars	Gratuity **Year ended 31st March, 2017**	Gratuity Year ended 31st March, 2016	Leave Encashment **Year ended 31st March, 2017**	Leave Encashment Year ended 31st March, 2016
Current service cost	1.21	1.70	0.11	1.21
Interest cost	1.79	1.69	0.51	0.45

(v) Recognised in other comprehensive income

(₹ in crore)

Particulars	**Year ended 31st March, 2017**	Year ended 31st March, 2016
Remeasurement actuarial loss/(gain)	(0.26)	1.96

(vi) Principle actuarial assumptions at the Balance Sheet date are as follows:

(₹ in crore)

Particulars	Gratuity **As at 31st March, 2017**	Gratuity As at 31st March, 2016	Gratuity As at 1st April, 2015	Leave Encashment **As at 31st March, 2017**	Leave Encashment As at 31st March, 2016	Leave Encashment As at 1st April, 2015
Discount rate per annum compounded	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Rate of increase in salaries	5.00%	6.00%	5.00%	5.00%	6.00%	5.00%
Rate of return on plan assets	8.00%	8.00%	8.00%	-	-	-
Expected average remaining working lives of employees (years)	15.79	16.40	16.59	15.79	16.40	16.59
Withdrawal rates	Varying between 8% per annum to 1% per annum depending on duration and age of the employees.					

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Mortality table	Standard table: Indian Assured Lives Mortality (2006-2008) Ultimate.

(vii) The amount for current and previous four years are as follows:

(₹ in crore)

Particulars	Gratuity				
	2016-17	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	23.97	22.37	19.83	18.46	16.61
Plan assets	21.04	19.80	19.11	17.78	16.58
Surplus/(deficit)	(2.93)	(2.57)	(0.72)	(0.68)	(0.03)
Experience adjustments on plan liabilities	-	1.29	0.31	(0.46)	0.15
Experience adjustments on plan assets	-	(0.50)	(0.20)	(0.15)	0.05

Note : In the absence of detailed information regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage and amount for each category of the fair value of plan assets has not been disclosed.

(₹ in crore)

Particulars	Leave Encashment				
	2016-17	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	6.81	6.43	4.90	4.20	3.52
Plan assets	-	-	-	-	-
Surplus/(deficit)	(6.81)	(6.43)	(4.90)	(4.20)	(3.52)
Experience adjustments on plan liabilities	-	0.50	0.10	1.31	0.83
Experience adjustments on plan assets	-	-	-	-	-

(viii) Risk exposure

These plans are exposed to the actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk : The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields on government bonds at the end of the reporting period. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan

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participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(ix) Sensitivity Analysis

Sensitivity analysis on effect on Defined Benefit Obligations on changes in significant assumptions as per Note 43 (b) (vi) are as follows:-

(₹ in crore)

Particulars	Change in assumption	Effect on Gratuity obligation	Effect on Leave Encashment
For the year ended 31st March, 2016			
Discount rate	+1%	20.74	7.07
	-1%	24.29	7.07
Salary rate	+1%	23.51	7.86
	-1%	21.21	5.39
Attrition rate	+1%	20.74	5.90
	-1%	24.29	7.07
For the year ended 31st March, 2017			
Discount rate	+1%	22.22	6.27
	-1%	26.01	7.45
Salary rate	+1%	25.37	8.23
	-1%	22.63	5.76
Attrition rate	+1%	22.22	6.27
	-1%	26.01	7.45

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The methods and type of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Presentation in the Statement of Profit and Loss, Other Comprehensive Income and Balance Sheet

Gratuity and leave encashment benefits are in the nature of defined benefit plans and re-measurement gains/(losses) on defined benefit plans are shown under OCI as 'Items that will not be reclassified to profit or loss', including the income tax effect on the same.

Expense for service cost, net interest on net defined benefit liability/(asset) is recognised in the Statement of Profit and Loss.

Ind AS 19 does not require segregation of net defined liability/(asset) into current and non-current, however net defined liability/(asset) is bifurcated into current and non-current portions in the balance sheet, as per Ind AS 1 on "Presentation of Financial Statements".

44. THE DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD FROM 8TH NOVEMBER, 2016 TO 30TH DECEMBER, 2016 ARE PROVIDED IN THE TABLE BELOW:

(₹ in crore)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.45	0.20	0.65
(+) Permitted receipts	-	0.46	0.46
(-) Permitted payments	-	0.44	0.44
(-) Amount deposited in Banks	0.45	0.01	0.46
Closing cash in hand as on 30.12.2016	-	0.21	0.21

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45. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURES

(a) Names of Related Parties :

(i) Holding Company		**Country of Origin**
	B Panda and Company Pvt. Ltd. - w.e.f. 9th December, 2016	India
(ii) Subsidiaries		**Country of Origin**
1	Indian Metals and Carbide Ltd.	India
2	Utkal Power Ltd.	India
3	Utkal Coal Ltd.	India
4	IMFA Alloys Finlease Ltd.	India
5	Utkal Green Energy Ltd.	India
6	Indmet Mining Pte Ltd.	Singapore
7	PT. Sumber Rahayu Indah [Subsidiary of Indmet Mining Pte. Ltd.]	Indonesia
(iii) Key Management Personnel (KMP)		
	Name	**Designation**
1	Dr. Bansidhar Panda	Executive Chairman
2	Mr. Baijayant Panda	Vice Chairman
3	Mr. Subhrakant Panda	Managing Director
4	Mr. Jayant Kumar Misra	Director (Corporate) & COO
5	Mr. Chitta Ranjan Ray	Whole Time Director
6	Mr. Prem Khandelwal	CFO & Company Secretary
(iv) Relatives of Key Management Personnel		
1	Mrs. Paramita Mahapatra - Daughter of Dr Bansidhar Panda and sister of Mr. Baijayant Panda and Mr. Subhrakant Panda.	
2	Mrs. Jagi Mangat Panda - Wife of Mr. Baijayant Panda.	
3	Mrs. Shaifalika Panda - Wife of Mr. Subhrakant Panda.	
4	Mrs. Nivedita Ganapathi - Daughter of Dr. Bansidhar Panda and sister of Mr. Baijayant Panda and Mr. Subhrakant Panda.	
(v) Enterprises over which KMP and / or relative of such KMP is able to exercise significant influence (with whom transactions have taken place during the year)		
1	B Panda and Company Pvt. Ltd. - w.e.f. 9th December, 2016 it becomes the Holding Company of the Company.	
2	UMSL Ltd.	
3	Esquire Realtors Pvt. Ltd.	
4	Kishangarh Environmental Development Action Pvt. Ltd.	
5	Ortel Communications Ltd.	
6	Odisha Television Ltd.	
7	Palios Corporation	
8	Rutayan Ila Trust	
9	Bansidhar & Ila Panda Foundation	
10	Utkal Charitable Trust	
11	Indian Metals Public Charitable Trust	
12	Raila Enterprises Pvt. Ltd.	
13	Orissa Coal and Services Pvt. Ltd.	

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(b) Summary of Transactions with Related Parties

(Figures in brackets represent corresponding amounts of previous year)

(₹ in crore)

Sl. No.	Nature of Transactions	Holding Company	Subsidiaries	KMP	Relatives of KMP	Enterprises over which KMP and / or relative of such KMP is able to exercise significant influence
1	Issue of Shares	16.50	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
2	Dividend paid	13.92	-	0.86	0.44	0.61
		(-)	(-)	(-)	(-)	(-)
3	Dividend Received	-	1.38	-	-	-
		(-)	(-)	(-)	(-)	(-)
4	Purchase of raw materials and stores etc.	-	-	-	-	0.56
		(-)	(-)	(-)	(-)	(0.14)
5	Services received	-	0.48	0.24	0.02	89.44
		(-)	(0.47)	(0.22)	(0.03)	(57.51)
6	Service Rendered	-	-	-	-	0.18
		(-)	(-)	(-)	(-)	(0.08)
7 (a)	Remuneration	-	-	25.79	0.46	-
		(-)	(-)	(6.87)	(0.54)	(-)
7 (b)	Gratuity and Leave Encashment	-	-	1.84	-	-
		(-)	(-)	(1.52)	(-)	(-)
8	Donations given	-	-	-	-	0.45
		(-)	(-)	(-)	(-)	(0.70)
9	Corporate Social Responsibility expenses	-	-	-	-	1.61
		(-)	(-)	(-)	(-)	(1.65)
10	Lease rentals paid	-	3.88	-	-	-
		(-)	(3.85)	(-)	(-)	(-)
11	Interest income on loan	-	0.08	-	-	-
		(-)	(0.08)	(-)	(-)	(-)
12	Investments made	-	-	-	-	-
		(-)	(0.11)	(-)	(-)	(-)
13	Loan Given	-	90.52	-	-	-
		(-)	(27.87)	(-)	(-)	(-)
14	Loan repayment received	-	0.47	-	-	-
		(-)	(0.62)	(-)	(-)	(-)
15	Reimbursement of Expenses	-	-	-	-	0.14
		(-)	(-)	(-)	(-)	(0.23)
16 a	Outstanding balances as at 31st March, 2017 :			-		
	a. Receivables	-	263.78	-	-	0.11
	b. Payables	-	31.49	18.55	0.08	13.61
16 b	Outstanding balances as at 31st March, 2016 :			-		
	a. Receivables	-	174.00	-	-	0.08
	b. Payables	-	31.98	0.46	0.08	26.36
	c. Guarantees given	-	78.09	-	-	-
16 c	Outstanding balances as at 1st April, 2015 :			-		
	a. Receivables	-	146.76	-	-	0.02
	b. Payables	-	32.44	0.25	-	34.12
	c. Guarantees given	-	91.00	-	-	-
	d. Guarantees received	-	7.06	-	-	-

Outstanding balances receivable at the year-end are unsecured and settlement occurs in cash.
Outstanding balance payable in respect of assets taken by the Company under finance lease is secured. The terms of payment carry an interest rate of 9% p.a.

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(c) Disclosure in respect of Material Related Party Transactions during the year (excluding reimbursements) :

1. Issue of Equity Shares (including premium) to B Panda and Company Pvt Ltd. ₹ 16.50 crore (Previous Year : Nil).
2. Dividend Paid to B Panda and Company Pvt Ltd. ₹ 13.92 crore (Previous Year : Nil).
3. Dividend Received from IMFA Alloys Finlease Ltd. ₹ 1.38 crore (Previous Year Nil).
4. Purchases of raw materials and stores from UMSL Ltd. ₹ 0.56 crore (Previous Year : ₹ 0.14 crore).
5. Services received includes services from UMSL Ltd. ₹ 83.20 crore (Previous Year : ₹ 52.27 crore).
6. Services rendered to UMSL Ltd. ₹ 0.18 crore (Previous Year : ₹ 0.08 crore).
7. Remuneration includes amount paid to Dr. Bansidhar Panda ₹ 7.53 crore (Previous Year : ₹ 1.55 crore), Mr. Baijayant Panda ₹ 7.66 crore (Previous Year : ₹ 1.62 crore), Mr. Subhrakant Panda ₹ 7.95 crore (Previous Year : ₹ 1.84 crore), Mr. Jayant Kumar Misra ₹ 1.28 crore (Previous Year : ₹ 0.67 crore), Mr. Chitta Ranjan Ray ₹ 0.78 crore (Previous Year : ₹ 0.61 crore) and Mr. Prem Khandelwal ₹ 0.59 crore (Previous Year : ₹ 0.58 crore).
8. Donations include amount given to Bansidhar & Ila Panda Foundation ₹ 0.45 crore (Previous Year : ₹ 0.69 crore).
9. Corporate Social Responsibility Expenses include amount paid to Bansidhar & Ila Panda Foundation ₹ 1.32 crore (Previous year : ₹ 1.36 crore) and Indian Metals Public Charitable Trust ₹ 0.29 crore (Previous Year : ₹ 0.29 crore).
10. Lease rentals paid to IMFA Alloys Finlease Limited ₹ 3.88 crore (Previous Year : ₹ 3.85 crore).
11. Interest income on Loan is from Utkal Power Limited ₹ 0.08 crore (Previous Year : ₹ 0.07 crore) and from Utkal Green Energy Limited Nil (Previous Year : ₹ 0.01 crore).
12. Investments made in Utkal Green Energy Limited Nil (Previous Year ₹ 0.08 crore), Indian Metals and Carbide Limited Nil (Previous Year ₹ 0.03 crore).
13. Loan given includes amount paid to Utkal Coal Limited ₹ 90.51 crore (Previous Year : ₹ 27.80 crore).
14. Loan repayment received includes amount from Utkal Power Limited Nil (Previous Year : ₹ 0.06 crore), Utkal Green Energy Limited Nil (Previous Year : ₹ 0.06 crore) and Utkal Coal Limited ₹ 0.47 crore (Previous Year : ₹ 0.47 crore).
15. Guarantee provided to Financial Institution for loan availed by Utkal Coal Limited Nil (Previous Year : ₹ 78.09 crore).

(d) Compensation to Key Management Personnel

The compensation to key management personnel during the year was as follows:-

(₹ in crore)

Particulars	**Year ended 31st March, 2017**	Year ended 31st March, 2016
Short-term employee benefits	26.47	7.08
Post-employment benefits	1.16	1.31
	27.63	**8.39**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

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46. The Hon'ble Supreme Court of India vide judgment dated 25th August, 2014 read with its order dated 24th September, 2014 cancelled the allocation of coal blocks to various companies, including the 'Utkal C' coal block held by Utkal Coal Ltd. ('UCL'), an SPV in which the Company holds 79.2% equity. Subsequently, on 21st October, 2014, The Coal Mines (Special Provisions) Ordinance, 2014 was promulgated to facilitate, inter alia, auction of coal blocks and compensation to a prior allottee of a coal block. To give continuity to the provisions of the said Ordinance and save the actions taken thereunder, on 26th December, 2014, The Coal Mines (Special Provisions) Second Ordinance, 2014 was promulgated, which was deemed to have come into force on 21st October, 2014 and the earlier Ordinance stood repealed. Subsequently, the Coal Mines (Special Provisions) Act, 2015 was enacted on 30th March, 2015 which was deemed to have come into force on 21st October, 2014, repealing the second Ordinance. Further, the Ministry of Coal issued orders dated 18th December, 2014 and 6th January, 2015 to initiate the auction process and change the end use of 'Utkal C' from captive use (non-regulated sector) to independent power producer (regulated sector). Aggrieved by the above actions of the government, on 13th February, 2015 UCL filed a Writ Petition before the Hon'ble High Court of Delhi challenging, inter alia, the said orders. The judgment in respect of this Writ Petition was delivered on 5th October, 2016 not granting any relief to UCL which, aggrieved, filed a Special Leave Petition on 11th January, 2017 before the Hon'ble Supreme Court challenging the above order dated 5th October, 2016.

UCL had also filed a separate Writ Petition before the Hon'ble High Court of Delhi on 23rd February, 2015 challenging the basis of valuation of compensation and the restrictive interpretation of 'Mine Infrastructure'. The judgment has been delivered on 9th March, 2017 considering leasehold land [under Coal Bearing Areas (Acquisition and Development) Act, 1957] to be under Mines Infrastructure and not under Freehold Land category for the purpose of compensation. Aggrieved, UCL has filed a Special Leave Petition before the Hon'ble Supreme Court challenging the aforesaid order. Pending resolution of the said matters, no accounting adjustments have been made by UCL in it's books of account which have been prepared on a going concern basis and no provision is deemed necessary in these financial statements against the Company's exposure in UCL as at 31st March, 2017 amounting to ₹ 111.42 crore invested as equity and ₹ 262.81 crore given as an unsecured loan.

47. In view of the circumstances detailed in Note No.46 above and considering the probability of economic benefits associated with the transaction flowing to the Company, as envisaged in paragraph 29 of Ind AS 18 on "Revenue", with effect from 1st October, 2014 the Company has postponed recognition of income from interest on unsecured loan given to UCL. Due to this, profit before tax for the year ended 31st March, 2017 is lower by ₹ 27.54 crore (Previous Year : ₹ 21.08 crore). The interest income would be considered as revenue of the period in which it is properly recognised.

48. Disputes between the Company and Grid Corporation of Orissa Ltd. ("GRIDCO") relating to methodology for billing of power, wheeling of power, back-up power drawn during period of grid disturbance etc. were settled in favour of the Company vide a unanimous award of an Arbitral Tribunal dated 23rd March, 2008, by virtue of which GRIDCO was directed to pay ₹ 57.07 Lakh alongwith interest and ₹ 30 Lakh towards costs. Subsequently, GRIDCO filed a petition before the District Judge, Bhubaneswar objecting the award and obtained an interim stay on the operation of the said award. The Company filed it's objection thereto on 19th February, 2009 and the matter is pending for hearing.

The Company has not given effect of the aforesaid award in it's books of account on the principles of prudence, as the matter is sub-judice.

49. In the arbitration proceedings relating to a party's conversion contract, an interim award was passed on 9th January, 2003 upholding issues in the Company's favour, without quantification of the amount payable to the Company towards it's various claims of losses/damages, which is to be determined by the appointment of a Chartered Accountant or other expert. The Party filed a petition before the Hon'ble High Court at Calcutta on 4th February, 2004 praying to set aside the interim award and the Company filed its objection thereto. The matter is pending before the Hon'ble High Court at Calcutta.

50. Pursuant to the order of Hon'ble Orissa High Court dated 21st April 2005, the Company was paying electricity duty at 6 paise per unit to the Govt. of Orissa and keeping the differential duty of 14 paise per unit in a separate 'no lien account' till final disposal of it's writ petition. The Hon'ble Orissa High Court disposed the said writ petition vide judgment dated 6th May, 2010 by directing the Company to deposit the differential amount of duty lying in no lien account with the State Exchequer. The Company preferred an appeal before the Hon'ble Supreme Court of India against the judgment of Orissa High Court. The Hon'ble Supreme Court vide its order dated 7th February, 2011 directed the company to continue the payment in the same manner but to deposit the differential amount of 14 paise per unit in an Escrow account instead of 'no lien account' till final disposal of the appeal. Accordingly,

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the Company paid the balance 14 paise per unit in an escrow account (non-interest bearing current account) with State Bank of India from January, 2011. Subsequently, based on a direction received on 9th January, 2015 from Govt. of Odisha, the Company kept the Escrow amount in an interest bearing fixed deposit linked to escrow current account with effect from 21st March, 2015.

On the principles of prudence, the Company fully provided for Electricity Duty @ 20 paise per unit in it's books of account, on accrual basis till September, 2015. Subsequent to the Department of Energy, Govt. of Odisha's Notification No. 8309 dated 1st October 2015, wherein the amended rate of Electricity Duty for a Captive Power Generator was specified at par with that of a Licensee, the Company is paying the applicable duty @ 30 paise per unit to the Govt. of Odisha with effect from October, 2015.

51. The Company had filed a petition before the Hon'ble Orissa High Court under Section 392 of the Companies Act, 1956 to modify the Scheme of Arrangement & Amalgamation and confirm the reduction of share capital by cancellation of 3,49,466 equity shares of ₹ 10/- each held by erstwhile 'ICCL Shareholders Trust'. The petition was approved by the Hon'ble High Court vide its order dated 16th March, 2011 and registered with the Registrar of Companies (ROC), Orissa on 1st April, 2011. Accordingly, the paid up equity share capital reduced from ₹ 26,32,65,190/- divided into 2,63,26,519 equity shares of ₹ 10/- each to ₹25,97,70,530/- divided into 2,59,77,053 equity shares of ₹ 10/- each. Subsequently, several shareholders challenged the reduction of share capital before a Division Bench of the Hon'ble High Court which, vide its judgement dated 19th July, 2011, directed the Company, inter-alia, to restore the aforesaid shares to the Trust and allot it to interested shareholders. The Company then moved the Hon'ble Supreme Court which issued notice in the matter and granted interim stay on the subscription or cancellation of the said 3,49,466 shares. As such, status quo is to be maintained until further orders.

52. As per Ind AS 108 on "Operating Segments ", segment information has been provided under the Notes to Consolidated Financial Statements.

53. EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES IS AS FOLLOWS:

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
- Expenditure included under "Other Expenses" (refer Note No. 36)	1.77	1.83
- Expenditure relating to CSR Assets included under " Capital Work-in-Progress" (refer Note No. 3)	-	4.43
- Expenditure relating to CSR Assets included under " Property, Plant and Equipment" (refer Note No. 3)	3.68	-
	5.45	**6.26**

54. LEASES

Operating Lease:

The Company's significant operating lease arrangements are in respect of premises only which are renewable at the option of both the lessor & the lessee.

Future minimum lease rents payable are summarised below:

(₹ in crore)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Not later than 1 year	1.92	1.01	2.26
Later than 1 year but not later than 5 years	1.70	0.78	0.88
Later than 5 years	**0.50**	**0.61**	**0.72**

Total lease rent payments recognised in the Statement of Profit and Loss for the year is ₹ 3.18 crore (Previous Year : ₹ 2.74 crore).

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Future minimum lease rents receivable are summarised below:

(₹ in crore)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Not later than 1 year	0.05	0.05	0.02
Later than 1 year but not later than 5 years	0.19	0.20	0.07
Later than 5 years	**0.28**	**0.32**	**0.17**

Finance Lease:
Company as a Lessee :

(₹ in crore)

Particulars	Future Minimum Lease Payments			Present Value of Minimum Lease Payments		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Not later than 1 year	3.35	3.35	3.35	3.20	3.20	3.20
Later than 1 year but not later than 5 years	13.41	13.41	13.41	10.26	10.26	10.26
Later than 5 years	53.08	56.43	59.79	18.03	18.52	18.98
Total	**69.84**	**73.19**	**76.55**	**31.49**	**31.98**	**32.44**
Future Finance Charges	38.35	41.21	44.11			
Present Value of Minimum Lease Payments	31.49	31.98	32.44			

55. EXPLANATION OF TRANSITION TO IND AS

Ind AS 101: First-time Adoption of Indian Accounting Standards

Mandatory exceptions and Optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as on 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from the previously applicable Indian GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

Classification and measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition and the Company has complied accordingly. As per Ind AS 101, for financial assets or financial liabilities classified as at amortised cost, if it is impracticable for the Company to apply retrospectively the effective interest method as mentioned in Ind AS 109, the fair value of the financial assets or financial liabilities at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or financial liability at the date of transition to Ind AS. For financial assets and financial liabilities classified as at amortised cost, measurement has been done retrospectively by the Company.

Voluntary exemptions availed

a) Deemed cost for Property, Plant and Equipment, Investment Property and Intangible Assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as on the transition date measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as of the transition date.

b) Investment in Subsidiaries

The Company has elected to measure investments in subsidiaries at deemed cost, which is the previously applicable Indian GAAP carrying amount, as on the date of transition.

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56. EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT 31ST MARCH, 2016 AND 1ST APRIL, 2015

(₹ in crore)

Particulars	As at 31st March, 2016			As at 1st April, 2015		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	1,082.99	(20.45)	1,062.54	1,108.40	(11.97)	1,096.43
Capital Work-in-Progress	38.09	22.37	60.46	40.47	20.52	60.99
Investment Property	-	11.58	11.58	-	11.90	11.90
Intangible Assets	4.46	-	4.46	-	-	-
Intangible Assets under Development	-	-	-	4.25	-	4.25
Investments in Subsidiaries	167.88	1.07	168.95	167.77	1.07	168.84
Financial Assets						
-Trade Receivables	11.39	-	11.39	11.39	-	11.39
-Loans	12.35	(0.03)	12.32	10.73	(0.09)	10.64
-Other Financial Assets	0.05	7.44	7.49	0.05	7.66	7.71
Other Non-Current Assets	187.20	(39.29)	147.91	181.63	(49.59)	132.04
Non-Current Tax Assets (Net)	72.94	-	72.94	60.96	-	60.96
Current Assets						
Inventories	352.83	(21.98)	330.85	405.04	(20.52)	384.52
Financial Assets						
-Investments	20.86	0.18	21.04	-	-	-
-Trade Receivables	14.80	-	14.80	53.11	-	53.11
-Cash and Cash Equivalents	4.97	-	4.97	36.66	-	36.66
-Other Bank balances	41.81	-	41.81	35.88	-	35.88
-Loans	174.65	(0.65)	174.00	147.31	(0.54)	146.77
-Other Financial Assets	5.37	0.02	5.39	5.91	(0.54)	5.37
Other Current Assets	141.23	(1.91)	139.32	166.96	(2.40)	164.56
	2,333.87	**(41.65)**	**2,292.22**	**2,436.52**	**(44.50)**	**2,392.02**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	25.98	-	25.98	25.98	-	25.98
Other Equity	782.33	0.75	783.08	836.91	(3.24)	833.67
LIABILITIES						
Non-Current Liabilities						
Financial Liabilities						
- Borrowings	692.94	(14.34)	678.60	737.40	(9.76)	727.64
-Other Financial Liabilities	21.59	7.44	29.03	5.99	3.85	9.84
Provisions	7.95	-	7.95	4.85	-	4.85
Deferred Tax Liabilities (Net)	69.59	(31.59)	38.00	99.65	(31.00)	68.65
Other Non - Current Liabilities	128.57	-	128.57	121.35	-	121.35
Current Liabilities						
Financial Liabilities						
- Borrowings	200.81	-	200.81	213.01	-	213.01
-Trade Payables	138.92	-	138.92	167.34	-	167.34
-Other Financial Liabilities	226.20	(3.91)	222.29	199.14	0.34	199.48
Other Current Liabilities	35.11	-	35.11	14.77	-	14.77
Provisions	3.88	-	3.88	10.13	(4.69)	5.44
	2,333.87	**(41.65)**	**2,292.22**	**2,436.52**	**(44.50)**	**2,392.02**

*includes MAT Credit Entitlement - In the previous GAAP, MAT credit entitlement was being reflected under Non-Current Assets but under Ind AS, it is being netted off against Deferred tax liabilities (Net).

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57. EFFECT OF IND AS ADOPTION ON THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in crore)

	Year ended 31st March, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit and Loss
INCOME			
Revenue from Operations	1,211.30	15.23	1,226.53
Other Income	16.25	0.23	16.48
Total Income	**1,227.55**	**15.46**	**1,243.01**
EXPENSES			
Cost of Materials Consumed	655.87	-	655.87
Changes in Inventories of Finished Goods	28.19	-	28.19
Excise Duty	-	15.23	15.23
Employee Benefits Expense	137.37	(1.96)	135.41
Finance Costs	83.07	0.54	83.61
Depreciation and Amortisation Expense	114.19	(0.14)	114.05
Other Expenses	276.53	(7.72)	268.81
Total Expenses	**1,295.22**	**5.95**	**1,301.17**
Profit/(Loss) before Exceptional Items & Tax	**(67.67)**	**9.51**	**(58.16)**
Exceptional Items - Expense (Net)	17.15	-	17.15
Profit/(Loss) Before Tax	**(84.82)**	**9.51**	**(75.31)**
Tax Expense:			
-Current Tax	-	-	-
-Deferred Tax	(30.06)	(0.52)	(30.58)
Profit/(Loss) After Tax	**(54.76)**	**10.03**	**(44.73)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan	-	(1.96)	(1.96)
- Income Tax	-	0.61	0.61
Total Comprehensive Income for the year [comprising profit/(loss) and other comprehensive income for the year]	**(54.76)**	**8.68**	**(46.08)**

58. RECONCILIATION OF EQUITY BETWEEN THE PREVIOUSLY APPLICABLE INDIAN GAAP AND IND AS IS AS FOLLOWS:

(₹ in crore)

	As at 31st March, 2016	As at 1st April, 2015
Equity as per the previously applicable Indian GAAP (Equity Share Capital + Reserves and Surplus)	**808.31**	**862.89**
Add/(Less) : Adjustments under Ind AS		
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	1.47	0.05
Fair valuation of Current Investments	0.17	-
Amortisation of Leasehold Land	(0.19)	-
Depreciation on Investment Property	(0.25)	-
Fair valuation of Other Financial Instruments	(0.10)	(0.02)
Fair valuation of Derivative Financial Instruments	-	(6.48)
Deferred Tax adjustments (net) on above	(0.35)	(1.48)
Proposed Dividend and Corporate Dividend Tax thereon	-	4.69
Total Equity as per Ind AS	**809.06**	**859.65**

NOTES
to Financial Statements

59. RECONCILIATION OF PROFIT/(LOSS) BETWEEN THE PREVIOUSLY APPLICABLE INDIAN GAAP AND IND AS IS AS FOLLOWS:-

(₹ in crore)

Particulars	Year ended 31st March, 2016
Loss after tax as per the previously applicable Indian GAAP	**(54.76)**
Add/(Less) : Adjustments under Ind AS	
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	1.42
Fair valuation of Derivative Financial Instruments	6.48
Actuarial remeasurements of Defined Benefit Obligations	1.96
Fair valuation of Current Investments	0.17
Amortisation of Leasehold Land	(0.44)
Others	(0.08)
Deferred Tax adjustments (net) on above	0.52
Profit / (Loss) after tax but before Other Comprehensive Income, as per Ind AS	**(44.73)**
Other Comprehensive Income (net of tax)	(1.35)
Total Comprehensive Income under Ind AS	**(46.08)**

60. The Board of Directors, in its meeting on 7th February, 2017 declared an interim dividend of ₹ 10/- per equity share. This resulted in a cash outflow of ₹ 32.19 crore including corporate dividend tax during the year. The Board has recommended a final dividend of ₹ 10 per equity share subject to approval of the shareholders in the forthcoming Annual General Meeting. If approved, it will result in a cash outflow of ₹ 32.47 crore including corporate dividend tax.

61. Previous year/period figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Place: Bhubaneswar
Date: 18th May, 2017

For and on behalf of the Board of Directors

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Indian Metals and Ferro Alloys Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Indian Metals and Ferro Alloys Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2017, its consolidated profit (including consolidated other comprehensive income), consolidated cash flows and consolidated changes in equity for the year ended on that date.

EMPHASIS OF MATTERS

(a) We draw attention to Note No. 37 to the consolidated Ind AS financial statements relating to the Holding Company's equity investment amounting to ₹ 53.13 crore in Indmet Mining Pte Ltd ('Indmet'), a wholly-owned subsidiary incorporated in Singapore which, in turn, has investment in its Indonesian subsidiary PT Sumber Rahayu Indah ('PT Sumber'). The Holding Company's carrying value of investment in Indmet is substantially dependent on the latter's carrying value of investment in PT Sumber and the Holding Company has initiated arbitration proceedings for protecting its said investment.

The auditors of Indmet, an independent firm of Public Accountants and Chartered Accountants, have also emphasised the matter in their audit report on the financial statements of Indmet for the financial year 2016-17, dt. 25th April, 2017.

(b) We draw attention to Note No. 39 to the consolidated Ind AS financial statements relating to the Holding Company's exposure in Utkal Coal Ltd., a subsidiary. The matter has arisen out of the cancellation of allotment of the coal block being held by the subsidiary vide the Hon'ble Supreme Court of India's order dated 24th September, 2014 and the subsequent events in connection therewith.

We, as independent auditors of the subsidiary, have also emphasised the matter in our audit report on the financial statements of the subsidiary for the financial year 2016-17, dt. 17th May, 2017.

(c) We draw attention to the following Emphasis of Matters in the audit report on the financial statements of Utkal Power Ltd., a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide its report dated 25th April, 2017 reproduced by us as hereunder :

" The Company has submitted its request to refund the security deposit with Government amounting to ₹ 75,00,000 which was given for 120MW power project, and the management has prepared the financial statement on going concern basis after assessing the companies ability to continue as going concern ".

(d) We draw attention to the following Emphasis of Matters in the audit report on the financial statements of Utkal Green Energy Ltd., a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide its report dated 25th April, 2017 reproduced by us as hereunder :

" We draw attention to Note No.11 to the standalone Ind AS financial statement, where it has been described the continuity and going concern of the business. In our opinion the continuity of this company completely depends on the financial assistance by its holding company ".

OUR OPINION IS NOT MODIFIED IN RESPECT OF THESE MATTERS.

Other Matters

We did not audit the Ind AS financial statements of six subsidiaries, whose Ind AS financial statements reflect total assets of ₹ 108.40 crores as at 31st March, 2017, total revenues of ₹ 3.08 crores and net cash outflows amounting to ₹ 2.66 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Two of these subsidiaries are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries (refer Note No.41 to the consolidated Ind AS financial statements). The Holding Company's management has converted the financial statements of such subsidiaries located outside India to Ind AS financial statements (i.e from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and relevant for preparation of the aforesaid consolidated Ind AS financial statements). We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow

Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, we give our separate Report in the "Annexure".

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

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note Nos. 36,37,39,43 ,44,45, and 46 to the consolidated Ind AS financial statements;

(ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

(iv) The Holding Company and its subsidiary companies incorporated in India have provided requisite disclosures in their respective standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed by us and based on the reports of other auditors, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and its subsidiary companies incorporated in India (refer Note No. 42 to the consolidated Ind AS financial statements).

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No.056613

Bhubaneswar
18th May, 2017

ANNEXURE

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Holding Company on the consolidated Ind AS financial statements for the year ended 31st March, 2017]

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of the Group, in respect of companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the entities of the Group which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to the respective company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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 Group, in respect of companies incorporated in India, 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, 2017, based on the internal control over financial reporting criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to four subsidiaries of the Holding Company which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No.056613

Bhubaneswar
18th May, 2017

CONSOLIDATED BALANCE SHEET

as at 31st March, 2017

(₹ in crore)

	Note No.	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	1,186.91	1,251.05	1,288.25
Capital Work-in-Progress	2	236.18	225.89	209.48
Investment Property	3	11.26	11.58	11.90
Goodwill		73.09	74.61	71.53
Other Intangible Assets	4	3.56	4.46	-
Intangible Assets under Development	4	-	-	4.25
Financial Assets				
-Investments	5	0.10	0.10	0.10
-Trade Receivables	6	11.39	11.39	11.39
-Loans	7	22.88	12.37	10.69
-Other Financial Assets	8	0.77	7.49	7.71
Other Non-Current Assets	9	157.82	147.92	132.04
Non-Current Tax Assets (Net)		23.92	73.00	61.00
Current Assets				
Inventories	10	340.14	330.91	384.57
Financial Assets				
-Investments	11	161.26	23.26	-
-Trade Receivables	12	66.68	14.80	53.11
-Cash and Cash Equivalents	13	7.39	5.74	49.65
-Other Bank Balances	14	28.59	53.16	35.88
-Other Financial Assets	15	9.97	5.45	5.44
Other Current Assets	16	162.18	140.71	165.94
Total Assets		**2,504.09**	**2,393.89**	**2,502.93**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	17	26.98	25.98	25.98
Other Equity		1,036.51	806.92	853.57
Non-Controlling Interest		31.08	31.32	30.96
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
-Borrowings	18	601.75	704.70	772.66
-Other Financial Liabilities	19	13.11	29.17	10.12
Provisions	20	9.55	8.00	4.89
Deferred Tax Liabilities (Net)	21	78.47	37.99	68.62
Other Non-Current Liabilities	22	130.11	128.57	121.35
Current liabilities				
Financial Liabilities				
-Borrowings	23	181.37	200.81	213.01
-Trade Payables	24	117.83	138.92	167.34
-Other Financial Liabilities	25	233.49	242.40	213.98
Other Current Liabilities	26	37.36	35.22	15.01
Provisions	27	6.48	3.89	5.44
Total Equity and Liabilities		**2,504.09**	**2,393.89**	**2,502.93**
Notes to Consolidated Financial Statements	1 to 57			

The notes referred to above form an integral part of the Consolidated Balance Sheet.
This is the Consolidated Balance Sheet referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(₹ in crore)

Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
INCOME			
Revenue from Operations	28	1,697.04	1,226.53
Other Income	29	48.12	15.68
Total Income		**1,745.16**	**1,242.21**
EXPENSES			
Cost of Materials Consumed	30	706.55	655.87
Changes in Inventories of Finished Goods	31	(1.57)	28.19
Excise Duty		24.69	15.23
Employee Benefits Expense	32	169.86	135.10
Finance Costs	33	83.47	80.77
Depreciation and Amortisation Expense	2 to 4	108.69	114.06
Other Expenses	34	284.02	269.12
Total Expenses		**1,375.71**	**1,298.34**
Profit/(Loss) before Exceptional Items and Tax		**369.45**	**(56.13)**
Exceptional Items - Expense (Net)		-	17.15
Profit/(Loss) Before Tax		**369.45**	**(73.28)**
Tax Expense:			
-Current Tax		93.12	0.95
-Deferred Tax		27.63	(30.56)
Profit/(Loss) After Tax		**248.70**	**(43.67)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plans		0.22	(1.97)
- Income Tax		(0.09)	0.61
Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of a foreign operation		(0.43)	4.71
Total Comprehensive Income for the year (before adjustment for Non-Controlling Interest)		**248.40**	**(40.32)**
[Comprising profit/(loss) and other comprehensive income for the year]			
Profit/(Loss) attributable to :			
(a) Owners of the Parent		248.94	(44.03)
(b) Non-Controlling Interest		(0.24)	0.36
Other Comprehensive Income/(Expense) (net of tax) attributable to :			
(a) Owners of the Parent		(0.29)	3.35
(b) Non-Controlling Interest		(0.01)	-
Total Comprehensive Income/(Expense) after tax attributable to :			
(a) Owners of the Parent		248.65	(40.68)
(b) Non-Controlling Interest		(0.25)	0.36
Earnings per Equity Share of par value of ₹ 10/- each			
Basic and Diluted (In ₹)	35	94.61	(16.81)
Notes to Consolidated Financial Statements	**1 to 57**		

The Notes referred to above form an integral part of the Consolidated Statement of Profit and Loss.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Place: Bhubaneswar
Date: 18th May, 2017

For and on behalf of the Board of Directors

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2017

A. EQUITY SHARE CAPITAL

(₹ in crore)

Balance at the beginning		Changes in equity share capital during the year		Balance at the end	
As at 1st April, 2015	As at 1st April, 2016	2015-16	2016-17	As at 31st March, 2016	As at 31st March, 2017
25.98	25.98	-	1.00	25.98	26.98

B. OTHER EQUITY AND NON-CONTROLLING INTEREST

(₹ in crore)

Particulars	Attributable to the equity shareholders of the Parent									
	Reserves and Surplus						Exchange differences in translating the financial statements of a foreign operation	Total other equity (a)	Non-Controlling Interest (b)	Total (a) + (b)
	Capital Reserves	Capital Redemption Reserve	Securities Premium Reserve	Special Reserve	General Reserve	Retained Earnings				
Balance as at 1st April, 2015	**1.01**	**0.20**	**153.12**	**0.84**	**276.42**	**404.03**	**17.95**	**853.57**	**30.96**	**884.53**
Profit/(Loss) for the year	-	-	-	-	-	(44.03)	-	(44.03)	0.36	
Other comprehensive income (net of tax)	-	-	-	-	-	(1.36)	4.71	3.35		
Excess provision for Tax on Proposed Dividend reversed	-	-	-	-	0.18	-	-	0.18		
Dividend	-	-	-	-	-	(5.11)	-	(5.11)		
Tax on Dividend	-	-	-	-	-	(1.04)	-	(1.04)		
Transfer from retained earnings to special reserve	-	-	-	0.40	-	(0.40)	-	-		
Balance as at 31st March, 2016	**1.01**	**0.20**	**153.12**	**1.24**	**276.60**	**352.09**	**22.66**	**806.92**	**31.32**	**838.24**
Profit/(Loss) for the year	-	-	-	-	-	248.94	-	248.94	(0.24)	
Other comprehensive income (net of tax)	-	-	-	-	-	0.13	(0.43)	(0.30)		
Issue of equity shares on conversion of equity warrants	-	-	15.33	-	-	-	-	15.33		
Dividend	-	-	-	-	-	(28.80)	-	(28.80)		
Tax on Dividend	-	-	-	-	-	(5.58)	-	(5.58)		
Transfer from retained earnings to special reserve	-	-	-	0.41	-	(0.41)	-	-		
Balance as at 31st March, 2017	**1.01**	**0.20**	**168.45**	**1.65**	**276.60**	**566.37**	**22.23**	**1,036.51**	**31.08**	**1,067.59**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

CASH FLOW STATEMENT

for the year ended 31st March, 2017

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(₹ in crore)

		Year ended 31st March, 2017	Year ended 31st March, 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before tax	369.45	(73.28)
	Adjustments for:		
	Depreciation and Amortisation Expense	108.69	114.06
	Loss/(profit) on sale/disposal of fixed assets (net)	(0.83)	(0.02)
	Loss/(profit) on sale of Investments (net)	(2.56)	(0.13)
	Gain on fair valuation of Current Investments	(0.48)	(0.17)
	Unrealised foreign exchange (gain)/loss	4.31	10.28
	Interest Income	(9.01)	(9.50)
	Dividend Income	(0.13)	(0.04)
	Finance Costs	83.47	80.77
	Exceptional Items	-	(5.56)
	Fair Value Changes to Prepayment option	0.02	0.05
	Liability no longer required written back	(1.84)	(0.21)
	Operating Profit before Working Capital Changes	**551.09**	**116.25**
	Adjustments for:		
	Trade and other receivables	(72.42)	37.19
	Inventories	(9.23)	52.21
	Trade payables and other liabilities	53.95	24.34
	Cash Generated from Operations	**523.39**	**229.99**
	Direct Taxes paid	(31.29)	(12.10)
	Net Cash Generated from Operating Activities	**492.10**	**217.89**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets and Capital Work-in-Progress	(44.37)	(103.36)
	Sale of fixed assets	2.06	16.45
	Sale / (Purchase) of Investments (net)	(134.91)	(22.90)
	Dividend received	0.06	-
	Interest received	9.01	8.05
	Net Cash (used in) / generated from Investing Activities	**(168.15)**	**(101.76)**

CASH FLOW STATEMENT

for the year ended 31st March, 2017

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(₹ in crore)

		Year ended 31st March, 2017	Year ended 31st March, 2016
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity Shares (net)	16.33	-
	Proceeds from long term borrowings	140.85	83.01
	Repayment of long term borrowings	(269.44)	(131.99)
	Proceeds from/(Repayment) of short term borrowings (net)	(81.80)	(8.21)
	Interest and financing charges paid	(94.96)	(98.47)
	Dividend paid (including dividend distribution tax)	(32.99)	(5.05)
	Net Cash (used in) / generated from Financing Activities	**(322.01)**	**(160.71)**
	Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**1.94**	(44.58)
	Cash and Cash Equivalents at the beginning of the year	**5.74**	49.65
	Effect of Exchange Rate on Translation of Foreign Currency	(0.29)	0.67
	Cash and Cash Equivalents at the end of the year (refer Note No. 13)	**7.39**	**5.74**
Notes:			
1.	Cash and Cash Equivalents at the end of the year comprises of:		
	Cash on hand	0.24	0.56
	Balance with Banks:		
	- In Current Accounts	5.29	5.10
	- Fixed Deposits	1.86	0.08
	Total	**7.39**	**5.74**
2.	The above Consolidated Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".		
3.	Previous year's figures have been rearranged/regrouped to conform to the classification of the current year, wherever considered necessary.		

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Place: Bhubaneswar
Date: 18th May, 2017

For and on behalf of the Board of Directors

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

NOTES
to Consolidated Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Principles of Consolidation

The Consolidated Financial Statements ("CFS") relate to Indian Metals and Ferro Alloys Limited ("the Company") and it's subsidiary companies (the Company and it's subsidiaries collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

a) The financial statements of the Company and it's subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses, in accordance with Indian Accounting Standard 110 - "Consolidated Financial Statements".

b) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange differences in translating the financial statements of foreign subsidiaries are recognised in other comprehensive income.

c) The excess of the cost of investment in a subsidiary over the Company's share of net assets at the time of acquisition of shares in the subsidiary is recognised in the CFS as Goodwill. However, resultant gain (bargain purchase) is recognised in other comprehensive income on the acquisition date and accumulated to capital reserve, in equity.

d) In the case of investment in subsidiaries, where the Company's shareholding is less than 100%, Non-Controlling Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Company's shareholders.

Non-Controlling Interest in the net assets of consolidated subsidiaries consists of:

(i) The amount of equity attributable to Non-Controlling Interest at the date on which investment in a subsidiary is made; and

(ii) The Non-Controlling Interest's share of movements in equity since the date the parent-subsidiary relationship came into existence.

e) Non-Controlling Interest's share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the profit/loss after tax of the Group, in order to arrive at the profit/loss after tax attributable to shareholders of the Company.

f) The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

g) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2017.

The list of subsidiary companies which are included in the consolidation and the Company's holding therein are as under:

Sl. No.	Name of the Company	Ownership / voting power in % as at		Principal place of Business/Country of Incorporation
		31st March, 2017	31st March, 2016	
1	Indian Metals and Carbide Ltd.	99.99%	99.99%	India
2	Utkal Power Ltd.	100.00%	100.00%	India
3	Utkal Coal Ltd.	79.20%	79.20%	India
4	IMFA Alloys Finlease Ltd.	76.00%	76.00%	India
5	Utkal Green Energy Ltd.	100.00%	100.00%	India
6	Indmet Mining Pte. Ltd.	100.00%	100.00%	Singapore
7	PT. Sumber Rahayu Indah, [70 % Subsidiary of Indmet Mining Pte. Ltd.]	-	-	Indonesia

1.2 These Consolidated Financial Statements were approved for issue by the board of directors of the Company on 18th May, 2017.

1.3 Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate (standalone) Ind AS financial statements.

NOTES
to Consolidated Financial Statements

2. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in crore)

Particulars	Tangible Assets - Own										Tangible Assets - Leased		Total	Capital Work-in-Progress
	Freehold Land	Buildings	Railway Siding & Runways	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipments	Motor Vehicles	Aircrafts	CSR Assets	Land	Plant and Equipment		
Gross Carrying Amount														
Deemed Cost as at 1st April, 2015	55.55	278.15	10.02	696.40	1.70	3.50	1.98	6.74	18.14	-	192.27	23.80	**1,288.25**	**209.48**
Additions/Adjustments	0.70	40.00	-	38.41	0.39	0.48	0.69	1.00	-	-	-	-	**81.67**	96.00
Deductions/Adjustments	-	0.06	-	1.59	-	-	0.01	0.57	-	-	-	-	**2.23**	79.59
As at 31st March, 2016	**56.25**	**318.09**	**10.02**	**733.22**	**2.09**	**3.98**	**2.66**	**7.17**	**18.14**	**-**	**192.27**	**23.80**	**1,367.69**	**225.89**
Additions/Adjustments	0.49	11.16	-	10.16	0.27	0.94	1.43	3.37	-	10.76	-	9.29	**47.87**	51.36
Deductions/Adjustments	-	0.59	-	0.37	-	0.05	0.01	0.91	-	-	-	-	**1.93**	41.07
As at 31st March, 2017	**56.74**	**328.66**	**10.02**	**743.01**	**2.36**	**4.87**	**4.08**	**9.63**	**18.14**	**10.76**	**192.27**	**33.09**	**1,413.63**	**236.18**
Accumulated Depreciation & Amortisation														
As at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Charge for the year	-	33.46	1.91	66.69	0.72	2.27	1.09	2.39	2.49	-	3.45	2.53	**117.00**	-
Disposals / Adjustments	-	-	-	0.24	-	-	-	0.12	-	-	-	-	**0.36**	-
As at 31st March, 2016	**-**	**33.46**	**1.91**	**66.45**	**0.72**	**2.27**	**1.09**	**2.27**	**2.49**	**-**	**3.45**	**2.53**	**116.64**	**-**
Charge for the year	-	31.31	1.51	62.91	0.50	1.19	0.89	1.96	2.15	0.15	3.44	4.75	**110.76**	-
Disposals / Adjustments	-	0.11	-	0.10	-	0.03	-	0.44	-	-	-	-	**0.68**	-
As at 31st March, 2017	**-**	**64.66**	**3.42**	**129.26**	**1.22**	**3.43**	**1.98**	**3.79**	**4.64**	**0.15**	**6.89**	**7.28**	**226.72**	**-**
Net Carrying Amount :														
As at 31st March, 2017	**56.74**	**264.00**	**6.60**	**613.75**	**1.14**	**1.44**	**2.10**	**5.84**	**13.50**	**10.61**	**185.38**	**25.81**	**1,186.91**	**236.18**
As at 31st March, 2016	**56.25**	**284.63**	**8.11**	**666.77**	**1.37**	**1.71**	**1.57**	**4.90**	**15.65**	**-**	**188.82**	**21.27**	**1,251.05**	**225.89**
As at 1st April, 2015	**55.55**	**278.15**	**10.02**	**696.40**	**1.70**	**3.50**	**1.98**	**6.74**	**18.14**	**-**	**192.27**	**23.80**	**1,288.25**	**209.48**

1. The Group has used previous Indian GAAP carrying value as deemed cost to measure the items of Property, Plant and Equipment as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).
2. Gross carrying amount of CSR assets include Buildings (₹ 9.20 crore) and Plant and Equipment (₹ 1.56 crore). Out of a total of ₹ 10.76 crore, ₹ 7.08 crore has been transferred from Capital Work-in-Progress and balance of ₹ 3.68 crore has been incurred during the year.
3. Borrowing costs capitalised during the year ₹ 11.39 crore (Previous Year : ₹ 19.83 crore).
4. Depreciation amounting to ₹ 3.30 crore (Previous Year ₹ 3.32 crore) has been transferred to Capital Work-in-Progress.

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3. INVESTMENT PROPERTY

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Gross Carrying Amount	11.90	11.90
Additions/Adjustments	-	-
Deductions/Adjustments	-	-
Closing Gross Carrying Amount	**11.90**	**11.90**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.32	-
Charge for the year	0.32	0.32
Closing Accumulated Depreciation	0.64	0.32
Net Carrying Amount	**11.26**	**11.58**

The Group has used previous Indian GAAP carrying value as deemed cost to measure Investment Property as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).

Direct Income/Expenses recognised in the Statement of Profit and Loss for Investment Property

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Rental Income	0.01	0.01
Direct operating expenses that generated rental income	0.01	0.01
Direct operating expenses that did not generate rental income	0.15	0.14

Fair value

(₹ in crore)

Particulars	Level	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment Property	Level 2	50.87	50.97	51.06

Brief description of the valuation technique and inputs used to value Investment Properties :

The Group's investment property consists of a commercial property situated in Kolkata, which has been partly let-out. The fair values as aforesaid are based on a valuation performed by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

There is a restriction on the realisability of the investment property regarding the transfer of title as it is taken on lease. There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

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4. OTHER INTANGIBLE ASSETS
(Internally Generated)

(₹ in crore)

Particulars	Computer Software	Intangible assets under development
Gross Carrying Amount		
Deemed Cost as at 1st April, 2015	-	4.25
Additions/Adjustments	4.50	0.25
Deductions/Adjustments	-	4.50
As at 31st March, 2016	**4.50**	**-**
Additions/Adjustments	-	-
Deductions/Adjustments	-	-
As at 31st March, 2017	**4.50**	**-**
Accumulated Amortisation		
As at 1st April, 2015	-	-
Charge for the year	0.04	-
Disposals / Adjustments	-	-
As at 31st March, 2016	**0.04**	**-**
Charge for the year	0.90	-
Disposals / Adjustments	-	-
As at 31st March, 2017	**0.94**	**-**
Net Carrying Amount :		
As at 31st March, 2017	**3.56**	**-**
As at 31st March, 2016	**4.46**	**-**
As at 1st April, 2015	-	4.25

4.1 The Group has used previous Indian GAAP carrying value as deemed cost to measure Intangible Assets as on the date of transition i.e., 1st April, 2015 (Gross Block less: accumulated depreciation & amortisation, as on 1st April, 2015).

4.2 Computer Software is amortised on a straight line basis over a period of 5 years.

5. INVESTMENTS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NON-CURRENT INVESTMENTS			
Investments in Equity Instruments (Unquoted)			
95,054 Equity Shares of ₹10/- each fully paid - up in Kalinga Hospital Ltd.	0.10	0.10	0.10
(31st March, 2016 : 95,054 shares, 1st April, 2015 : 95,054 shares)			
	0.10	**0.10**	**0.10**

6. TRADE RECEIVABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good*	11.39	11.39	11.39
	11.39	**11.39**	**11.39**

* due pending resolution of sub-judice matters

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7. LOANS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, Considered good			
Security and Other Deposits	22.88	12.37	10.69
	22.88	**12.37**	**10.69**

8. OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-Current portion of Other Bank Balances			
-Fixed Deposits with bank having balance maturity of more than twelve months (Under Lien*)	0.77	0.05	0.05
Derivative Assets			
- Swaps not designated as hedge	-	7.44	7.66
	0.77	**7.49**	**7.71**

* Margin money deposits

9. OTHER NON-CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Advances	3.22	1.63	11.71
Deposit for electricity duty in No Lien & Escrow Accounts (refer Note No. 45)	100.75	100.75	93.02
Interest accrued but not due on Fixed Deposits with Banks	46.67	37.74	27.26
Prepaid Rent for Operating Leases	7.18	7.80	0.05
	157.82	**147.92**	**132.04**

10. INVENTORIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	176.26	157.89	165.86
Raw Materials-in-Transit	18.87	32.26	43.77
Finished Goods	82.46	77.35	101.99
Finished Goods-in-Transit	27.66	31.20	34.75
Stores and Spares	34.77	32.10	38.09
Loose Tools	0.12	0.11	0.11
	340.14	**330.91**	**384.57**

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11. INVESTMENTS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
CURRENT INVESTMENTS			
Investments in Mutual Funds - Unquoted			
78,634.44 units (31st March, 2016 : 78,634.44 units, 1st April, 2015 : Nil) of Birla Sunlife Cash Manager-Growth-Direct Plan,	3.19	2.93	-
Nil units (31st March, 2016 : 6,16,433.29 units, 1st April, 2015: Nil) of Birla Sunlife Savings Fund-Growth-Direct Plan,	-	18.11	-
20,15,380.01 units (31st March, 2016 : Nil , 1st April, 2015: Nil) of Birla Sunlife Cash Plus-Growth-Direct Plan,	55.02	-	-
4,47,235.63 units (31st March, 2016 : Nil, 1st April, 2015: Nil) Reliance Money Manager Fund - Growth Plan Growth Option	100.29	-	-
Nil units (31st March, 2016: 9,33,179.64 units, 1st April, 2015: Nil) of Reliance Arbitrage Advantage Fund - Monthly Dividend Plan	-	0.98	-
25,41,742.31 units (31st March, 2016 : 11,56,565.45 units, 1st April, 2015: Nil) of Reliance Arbitrage Advantage Fund - Direct Monthly Dividend Plan	2.74	1.23	-
1,56,069 units (31st March, 2016 : 46,893 units, 1st April, 2015: Nil) Reliance Liquid Fund - Treasury Plan - Directly Daily Dividend Option	0.02	0.01	-
Aggregate amount of unquoted investments	**161.26**	**23.26**	**-**

12. TRADE RECEIVABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	66.68	14.80	53.11
Doubtful	0.38	0.38	0.38
Less: Provision for doubtful debts	(0.38)	(0.38)	(0.38)
	66.68	**14.80**	**53.11**

13. CASH AND CASH EQUIVALENTS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks:			
In Current Accounts [includes unclaimed dividend of ₹1.05 crore (31st March, 2016: ₹0.80 crore, 1st April, 2015: ₹0.74 crore)]	5.29	5.10	8.69
Fixed Deposits with Banks having balance maturity of three months or less:			
-Not under Lien	-	-	37.57
-Under Lien*	1.86	0.08	2.67
Cash on hand	0.24	0.56	0.72
	7.39	**5.74**	**49.65**
* includes			
Margin money deposits			
- 3 months or less	**1.86**	0.08	0.07
Deposits pledged with banks against borrowings			
- 3 months or less	-	-	2.60

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14. OTHER BANK BALANCES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed Deposits with Banks having balance maturity of twelve months or less:			
-Not under Lien	8.40	33.13	14.85
-Under Lien*	20.19	20.03	21.03
	28.59	**53.16**	**35.88**
* includes			
Margin money deposits			
- 12 months or less	1.91	1.75	0.35
Deposits pledged with banks against borrowings			
- 12 months or less	18.28	18.28	20.68

15. OTHER FINANCIAL ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrued but not due on Fixed Deposits with Banks	0.47	1.51	2.63
Derivative Assets			
- Foreign currency forward contracts not designated as hedge	6.53	3.92	2.23
- Swaps not designated as hedge	2.97	-	0.51
- Prepayment option on Loans	-	0.02	0.07
	9.97	**5.45**	**5.44**

16. OTHER CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances to Suppliers	37.70	27.65	37.41
Deposits with Excise and Customs	84.22	81.06	69.00
Export Incentives Receivable	22.88	13.09	30.37
Advance Royalty	-	6.10	8.03
Advance Custom Duty	2.09	4.09	9.50
Prepaid Expenses	10.07	3.35	3.06
Prepaid Rent for Operating Leases	0.63	0.63	0.02
VAT Credit Receivable	3.11	0.89	2.05
Employee Advances	0.11	0.41	0.83
Other Advances	1.31	3.35	4.24
Capital Advances	-	-	0.03
Assets classified as held for sale	0.06	0.09	1.40
	162.18	**140.71**	**165.94**

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17. SHARE CAPITAL

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised:			
Equity Shares:			
3,00,00,000 Equity Shares, ₹10/- par value per share	30.00	30.00	30.00
(31st March, 2016 : 3,00,00,000 Equity Shares , 1st April, 2015 : 3,00,00,000 Equity Shares)			
Preference Shares:			
40,000 9.5% Redeemable Cumulative Preference Shares, ₹ 100/- par value per share	0.40	0.40	0.40
(31st March, 2016 : 40,000 Preference Shares , 1st April, 2015 : 40,000 Preference Shares)			
2,60,000 IInd Series Redeemable Cumulative Preference Shares, ₹ 100/- par value per share	2.60	2.60	2.60
(31st March, 2016 : 2,60,000 Preference Shares, 1st April, 2015 : 2,60,000 Preference Shares)			
	33.00	**33.00**	33.00
Issued, Subscribed and Paid-up:			
2,69,77,053 Equity Shares, ₹10 /- par value per share, fully paid	26.98	25.98	25.98
(31st March, 2016 : 2,59,77,053 Equity Shares, 1st April, 2015 : 2,59,77,053 Equity Shares)			
	26.98	**25.98**	**25.98**

Reconciliation of the Number of Equity Shares outstanding

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**₹ in crore**	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	2,59,77,053	25.98	2,59,77,053	25.98	2,59,77,053	25.98
Add: Issued during the year	10,00,000	1.00	Nil	Nil	Nil	Nil
At the end of the year	2,69,77,053	26.98	2,59,77,053	25.98	2,59,77,053	25.98

Rights, preferences & restrictions in respect of each class of shares

The Company's authorised share capital consists of two classes of shares, referred to as Equity Shares and Preference Shares, having par value of ₹ 10/- and ₹ 100/- each respectively.

Each holder of Equity Share is entitled to one vote per share. The preferential shareholders have preferential right over equity shareholders in respect of repayment of capital and payment of dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Equity Shares of the Company held by holding/ultimate holding company

Name of the Holding Company	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**₹ in crore**	No. of shares	₹ in crore	No. of shares	₹ in crore
B Panda and Company Private Limited	1,39,18,046	13.92	-	-	-	-

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Details of Shareholders holding more than 5% of the equity shares each

Name of the Shareholder	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**% of Shareholding**	No. of shares	% of Shareholding	No. of shares	% of Shareholding
B Panda and Company Private Limited	1,39,18,046	51.59	-	-	-	-
LITEC Company Limited	34,44,259	12.77	38,44,259	14.80	38,44,259	14.80
Fox Consulting Services Pte. Limited	17,90,500	6.64	17,90,500	6.89	17,90,500	6.89
Reliance Capital Trustee Company Limited-A/c Reliance Tax Saver (ELSS) Fund	17,29,374	6.41	13,40,974	5.16	13,40,974	5.16
Barabati Investment & Trading Company Private Limited	-	-	26,34,778	10.14	26,34,778	10.14
Paramita Investments & Trading Company Private Limited	-	-	26,34,778	10.14	26,34,778	10.14
KB Investments Private Limited	-	-	25,16,401	9.69	25,16,401	9.69
Madhuban Investments Private Limited	-	-	23,95,696	9.22	23,95,696	9.22

18. BORROWINGS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Rupee Term Loans from:			
Banks	650.13	656.42	686.06
Others	16.18	101.14	98.63
Foreign Currency Term Loans from:			
Banks	59.99	101.82	120.12
Vehicle Loans	1.91	0.19	0.24
Total Borrowings	**728.21**	859.57	**905.05**
Less: Current Maturities			
Banks	122.07	127.51	113.79
Others	4.39	27.36	18.60
	126.46	**154.87**	**132.39**
Total Non-Current Borrowings	**601.75**	**704.70**	**772.66**

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18.1 Details of securities provided (including for current maturities as stated under "Current Liabilities - Other Financial Liabilities" in Note No. 25) and their repayment terms :

Amounts carried in Note No. 18 and 25 represent Amortised Cost whereas amounts mentioned herein below represent the payables as on the dates mentioned.

(EMI - Equated Monthly Instalment; EQI - Equated Quarterly Instalment; UQI : Unequated Quarterly Instalment)

Term Loans from Banks :

(a) Loan of ₹ 20.53 crore (31st March, 2016 : ₹ 31.96 crore, 1st April, 2015 : ₹ 41.10 crore) for setting up of Coal Handling Plant (CHP) at Choudwar, secured by first charge on the movable assets to be acquired out of the loan for CHP and first charge by way of mortgage on pari-passu basis on immovable properties of the Company situated at Choudwar excluding assets exclusively charged to other lenders. Repayment by 28 EQI of ₹ 2.29 crore from October'12.

(b) Loan of ₹ 50.00 crore (31st March, 2016 : ₹ 50.00 crore, 1st April, 2015 : ₹ 50.00 crore) for general capital expenditure, secured by first pari-passu charge on fixed assets at Choudwar excluding those which are exclusively charged to other project lenders. Repayment by 35 EMIs of ₹ 1.39 crore from April'17 and last instalment of ₹1.35 crore.

(c) Loan of ₹ 50.00 crore (31st March, 2016 : ₹ 50.00 crore, 1st April, 2015 : Nil) for general capital expenditure, secured by first pari-passu charge on fixed assets at Choudwar excluding those which are exclusively charged to other project lenders. Repayment by 24 EMI of ₹ 0.75 crore from October '17, thereafter 11 EMI of ₹ 2.66 crore and last instalment of ₹ 2.74 crore.

(d) Loan of ₹ 15.00 crore (31st March, 2016 : ₹ 63.00 crore, 1st April, 2015 : ₹ 81.00 crore) for general capital expenditure, secured by first pari-passu charge on fixed assets (both moveable & immovable) of the Company (both present & future) situated at Therubali other than assets exclusively charged to other lenders. Subservient charge on the current assets of the Company. Repayment by 20 EQI from December'14.

(e) Loan of ₹ 128.00 crore (31st March, 2016 : Nil, 1st April, 2015 : Nil) for 30 MW Captive Power Plant (CPP) at Choudwar and general capital expenditure, secured by exclusive charge over the assets of CPP, first pari-passu charge on plot no. 43 on which CPP has been erected at Choudwar, with other term lenders and first pari-passu charge on fixed assets (both moveable & immovable) of the Company (both present & future) situated at Therubali other than assets exclusively charged to other lenders. Repayment by 4 EQI of ₹ 2.25 crore from December '17, 4 EQI of ₹ 3.00 crore from December '18, 8 EQI of ₹ 3.75 crore from December '19 and 22 EQI of ₹4.50 crore from December '21.

(f) Loan of ₹ 95.39 crore (31st March, 2016 : ₹ 104.50 crore, 1st April, 2015 : ₹ 110.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(g) Loan of ₹ 86.72 crore (31st March, 2016 : ₹ 95.00 crore, 1st April, 2015: ₹ 100.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(h) Loan of ₹ 60.70 crore (31st March, 2016 : ₹ 66.50 crore, 1st April, 2015 : ₹ 70.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(i) Loan of ₹ 86.72 crore (31st March, 2016 : ₹ 95.00 crore, 1st April, 2015 : ₹ 100.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

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(j) Loan of ₹ 43.32 crore (31st March, 2016 : ₹ 47.48 crore, 1st April, 2015 : ₹ 50.00 crore) for 120 MW Power Plant at Choudwar, secured by first charge ranking pari-passu with other term lenders on the Company's movable & immovable properties, present & future, relating to the 120 MW power plant. Repayment by 38 UQI from June'15.

(k) Loan of ₹ 6.81 crore (31st March, 2016 : ₹ 4.81 crore, 1st April, 2015 : ₹1.64 crore) for setting up of Industrial Training Centre (ITC) at Sukinda, secured by mortgage of lease hold right of property situated at Khata No. 100, Plot No 238(P), Mauza- Dudhjhari, Sukinda Dist- Jajpur, admeasuring 5 acres and building to be constructed thereon along with the Furniture & Fixtures, Computers and Equipments to be purchased out of the loan. Repayment by 24 EQI from September'16.

(l) Loan of ₹ 22.45 crore (31st March, 2016 : ₹19.38 crore, 1st April, 2015 : ₹ 9.54 crore) for Housing Project at Choudwar, secured by mortgage of residential land admeasuring 10 acres 920 decimal (475675.20 sq fts) situated at Plot No. 34/78 & 34/82, Tahsil-Tangi Choudwar, PS-Choudwar, Mouza-Chhatisa No.2, Cuttack, Odisha and the proposed building to be constructed. Repayment of ₹ 20.00 crore by 24 UQI from June'16 and ₹ 5.85 crore in 24 EQI from February '18.

(m) Vehicle Loan of ₹ 1.91 crore (31st March, 2016 : ₹ 0.18 crore, 1st April, 2015 ₹ 0.24 crore) secured by charge on the Vehicles. Repayment in EMI as per the repayment schedules of respective vehicles.

(n) Loan of ₹ 18.01 crore (31st March, 2016 : ₹ 43.23 crore, 1st April, 2015 : ₹ 54.45 crore) for setting up of Briquetting plant, Gas Cleaning plant, Fly Ash Brick plant and Low Density Aggregate plant, secured by first exclusive charge by way of hypothecation over plant & machinery of 27 MVA furnace at Choudwar and charge on all the present and future movable fixed assets of Gas Cleaning plant & Briquetting plant at Therubali, Low Density Aggregate plant and Fly Ash Brick plant I and II at Choudwar Repayment by 16 EQI from January'14.

(o) Loan of ₹ 41.83 crore (31st March, 2016 : ₹ 58.67 crore, 1st April, 2015 : ₹ 59.07 crore) for general capital expenditure, secured by first and exclusive charge by way of hypothecation over plant & machinery of 27 MVA furnace at Choudwar. First and exclusive charge on all the present and future moveable fixed assets of Gas Cleaning plant & Briquetting plant at Therubali, Low Density Aggregate plant and Fly Ash Brick plant I and II at Choudwar. Repayment by 16 EQI from February'16.

Note:
Term Loans from Banks amounting to ₹ 20.53 crore (31 March, 2016 : ₹ 31.96 crore, 1st April, 2015 : ₹ 82.86 crore) are further secured by personal guarantees of 2 directors of the Company.

Term Loans from Others:
Loan of ₹ 16.30 crore (31st March, 2016 : ₹ 20.00 crore, 1st April, 2015 : Nil) for capital expenditure related to power plants and other ancillary infrastructure, secured by first charge on Aircraft and two helicopters. Subservient charge on current assets of the Company. Repayment by 54 EMIs from June'16.

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19. OTHER FINANCIAL LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Derivative Liabilities			
- Swaps not designated as hedge	11.75	27.70	8.51
Security Deposits	0.02	0.13	0.27
Others	1.34	1.34	1.34
	13.11	**29.17**	**10.12**

20. PROVISIONS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits	9.55	8.00	4.89
	9.55	**8.00**	**4.89**

21. DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Deferred Tax Liabilities:			
Difference between tax base and book base of Property, Plant and Equipment, Investment Property and Intangible Assets	103.73	96.03	103.97
Financial assets at Fair value through profit and loss	0.87	-	1.46
Others	0.01	-	-
(b) Deferred Tax Assets:			
Carry forward business loss and unabsorbed depreciation	-	(17.55)	-
Financial assets at Fair value through profit and loss	-	(3.59)	-
Defined Benefit Obligations	(3.37)	(2.78)	(1.91)
Others	(3.60)	(2.18)	(2.42)
Net Deferred Tax Liabilities	**97.64**	**69.93**	**101.10**
Less: MAT Credit Entitlement	**19.17**	**31.94**	**32.48**
	78.47	**37.99**	**68.62**

22. OTHER NON-CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Electricity Duty	130.11	128.57	121.35
	130.11	**128.57**	**121.35**

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23. BORROWINGS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans Repayable on Demand			
Working Capital Loans from Banks	181.37	174.18	213.01
Buyers' Credit	-	26.63	-
	181.37	**200.81**	**213.01**

23.1 Working Capital Loans from banks are secured by charge over stocks, receivables & current assets.

24. TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro and small enterprises (refer Note No. 24.1)	-	-	-
Others	117.83	138.92	167.34
	117.83	**138.92**	**167.34**

24.1 Micro and Small Enterprises under the Micro and Small Enterprises Development Act, 2006 have been determined based on the information available with the Group and the required disclosures are given below:.

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-	-
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) The amount of interest accrued and remaining unpaid	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
	-	**-**	**-**

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

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25. OTHER FINANCIAL LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Maturities of Borrowings (refer Note No. 18)	126.46	154.87	132.39
Liability for Operating and Other Expenses	67.32	62.92	44.10
Creditors for Capital Goods	7.63	10.72	12.54
Interest accrued but not due on borrowings	1.74	3.20	3.97
Earnest Money and Security Deposits	1.96	1.52	12.29
Commission / Remuneration Payable to Directors	18.80	0.46	0.25
Payable to Employees	8.53	7.91	7.70
Unclaimed Dividend *	1.05	0.80	0.74
	233.49	**242.40**	**213.98**

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

26. OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Liability for Operating and Other Expenses	1.08	0.54	1.16
Statutory Liabilities	36.13	34.05	13.14
Advance from Customers	0.15	0.63	0.71
	37.36	**35.22**	**15.01**

27. PROVISIONS

(₹ in crore)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits	6.48	3.89	5.44
	6.48	**3.89**	**5.44**

28. REVENUE FROM OPERATIONS

(₹ in crore)

	Year ended 31st March, 2017	Year ended31st March, 2016
Sale of products (including Excise Duty)		
Ferro Chrome	1,650.49	1176.55
Fly Ash Bricks	1.04	2.19
Low Density Aggregate	0.02	0.03
	1,651.55	**1,178.77**
Other Operating Revenues:		
Export Incentives	40.92	39.84
Sale of Scrap	4.57	7.92
	1,697.04	**1,226.53**

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29. OTHER INCOME

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest		
-Fixed Deposits	1.99	4.81
-Others	7.02	4.69
Rent	0.12	0.12
Profit on Sale of Property, Plant and Equipment [including profit on sale of assets classified as held for sale ₹ 0.22 crore (Previous Year: ₹ 0.13 crore)]	1.33	1.61
Claims Received	0.35	0.41
Dividend	0.13	0.04
Profit on sale of Current Investments	2.56	0.13
Gain on fair valuation of Current Investments	0.48	0.17
Liability no longer required written back	1.84	0.21
Gain on foreign currency transactions and translations	29.99	-
Other non-operating Income	2.31	3.49
	48.12	**15.68**

30. COST OF MATERIALS CONSUMED

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Coal	231.38	212.33
Chrome Ore	309.73	259.57
Quartz	7.59	6.61
Coke	166.60	162.91
Carbon paste	17.72	16.36
Other materials	11.85	14.57
	744.87	**672.35**
Less: Inter Unit transfer of Chrome Ore (Net)	38.32	16.48
	706.55	**655.87**

31. CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Closing stock of finished goods	110.12	108.55
Opening stock of finished goods	108.55	136.74
	(1.57)	**28.19**

32. EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries, Wages, Bonus, Allowances etc.	156.38	121.27
Contribution to Provident and Other Funds	9.95	11.06
Workmen and Staff Welfare Expenses	3.53	2.77
	169.86	**135.10**

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33. FINANCE COSTS

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest Expense	76.08	72.32
Exchange differences regarded as an adjustment to borrowing costs	(3.65)	3.74
Other Borrowing Costs	11.04	4.71
	83.47	**80.77**

34. OTHER EXPENSES

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Manufacturing expenses		
Consumption of stores, spares and loose tools	21.15	17.18
Consumption of electricity	13.48	17.99
Electricity Duty	30.14	20.16
Energy transmission charges	7.64	5.51
Repairs and Maintenance :		
- Plant and Machinery	25.82	22.42
- Buildings	4.83	2.79
- Others	5.82	5.36
Finished stock and slag handling expenses	22.39	13.66
Other factory expenses	25.96	22.51
Excise duty on closing stock of finished goods	1.23	(2.40)
	158.46	**125.18**
Selling and Distribution expenses		
Carriage outward and handling expenses	56.96	52.11
Export promotion expenses	1.84	2.32
Other selling expenses	21.51	17.51
	80.31	**71.94**
Establishment and other expenses		
Insurance	3.71	3.17
Rent	4.23	4.28
Rates and taxes	3.63	2.07
Travelling and conveyance	6.99	6.16
Legal and professional fees	11.73	9.28
Payments to the Auditor (refer Note No. 34.1)	0.49	0.45
Director's Fees	0.05	0.05
Corporate Social Responsibility Expenses (refer Note No. 47)	1.77	1.83
Loss on foreign currency transactions and translations	-	26.94
Fair Value Changes to Prepayment option on Loans	0.02	0.05
Miscellaneous expenses	12.63	17.72
	45.25	**72.00**
Total Other Expenses	**284.02**	**269.12**

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34.1 Payments to the Auditor (excluding service tax)

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
As Auditor - Statutory Audit & Limited Reviews	0.42	0.41
For Other Services	0.02	0.01
For reimbursement of expenses	0.05	0.03
	0.49	**0.45**

35. EARNINGS PER SHARE

		Year ended 31st March, 2017	Year ended 31st March, 2016
(a)	Profit/(Loss) after tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore)	248.70	(43.67)
(b)	Weighted Average number of Equity Shares	2,62,86,642	2,59,77,053
(c)	Basic and diluted earnings per share (in ₹)	94.61	(16.81)
(d)	Nominal value per Equity Share (in ₹)	10.00	10.00

36. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	Contingent Liabilities			
(a)	**Claims against the Group not acknowledged as debts:**			
	Government Claims			
(i)	Income Tax (deposits made under protest 31st March, 2017 : ₹ 39.67 crore, 31st March, 2016 : ₹ 31.33 crore, 1st April, 2015 : ₹ 16.47 crore.)	48.54	77.06	24.74
(ii)	Cenvat Credit reversal and penalty thereon (deposits made under protest 31st March, 2017 : ₹ 0.74 crore, 31st March, 2016 : ₹ 0.02 crore, 1st April, 2015 : ₹ 0.01 crore)	19.41	0.45	0.45
(iii)	Excise Duty (deposits made under protest 31st March, 2017 : ₹ 0.21 crore, 31st March, 2016 : ₹ 0.21 crore, 1st April, 2015 : ₹ 0.18 crore)	0.40	0.40	0.39
(iv)	Provisional duty bonds to customs authority pending final debonding of 100% EOU	Amount not quantifiable	Amount not quantifiable	Amount not quantifiable
(v)	Entry tax (deposits made under protest 31st March, 2017 : ₹ 4.82 crore, 31st March, 2016 : ₹ 4.92 crore, 1st April, 2015 : ₹ 4.78 crore)	11.52	14.23	13.82
(vi)	Sales tax (deposits made under protest 31st March, 2017 : ₹ 1.62 crore, 31st March, 2016 : ₹ 1.62 crore, 1st April, 2015 : ₹ 1.60 crore)	1.74	1.74	1.74
(vii)	Value Added Tax (deposits made under protest 31st March, 2017 : ₹ 1.60 crore, 31st March, 2016 : Nil, 1st April, 2015 : Nil)	1.63	-	-
(viii)	State Govt./Local Authority rent, duties, levies & cess etc. (deposits made under protest 31st March, 2017 : ₹ 13.11 crore, 31st March, 2016 : ₹ 0.06 crore, 1st April, 2015 : ₹ 0.06 crore)	73.65	59.08	28.49
Other Claims				
Legal suits filed against the Group		1.43	2.10	1.30

(b) Other money for which the Company is contingently liable :

Demand notices in respect of six mines have been raised by the respective Deputy Director of Mines and Mining Officers of Government of Odisha amounting to ₹ 237.06 crore for the alleged excess extraction of minerals over the quantity permitted under the mining plan/scheme, environmental clearance or consent to operate and other statutory permissions during the period

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from 1993 to 2010 under Section 21(5) of Mines & Minerals (Development and Regulation) Act, 1957 ('Act'). However, Section 21(5) of the Act specifies that demand can be raised only when the minerals were extracted from the land which is occupied without lawful authority i.e. outside leasehold area. The Company is of the view that Section 21(5) of the Act is not applicable as the mining is done within the leasehold area under the supervision and approval of the State and Central Govt. Hence, the Company filed Revision Applications before Mines Tribunal, New Delhi against all such demands. Stay has been granted by the Mines Tribunal against such Demand Notices and the matters are pending.

B. Commitments:

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of capital contracts remaining to be executed and not provided for (Net of Advances)	34.17	43.30	55.71

37. Indmet Mining Pte Ltd ('Indmet'), a wholly-owned subsidiary incorporated in Singapore, has investment of USD 8.75 million (₹ 56.04 crore) [31st March, 2016 USD 8.75 million (₹ 57.64 crore), 1st April, 2015 USD 8.75 million (₹ 54.41 crore)] in its Indonesian subsidiary PT Sumber Rahayu Indah ('PT Sumber'). PT Sumber is holding a coal mining concession in Indonesia but due to overlapping boundary issues, the mining concession could not be operationalised till date.

The Company initiated arbitration proceedings against the Government of the Republic of Indonesia on 24th July, 2015 pursuant to Article 3 of the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules and Article 9 of the Agreement between the Governments of the Republic of Indonesia and the Republic of India for the Promotion and Protection of Investments (the "Treaty"), raising claims of breach of the protections granted under the Treaty. On 23rd December, 2016, the Company has filed its statement of claim and hearing on the arbitration proceedings are under progress.

No provision has been considered necessary by the Company at this stage in its standalone financial statements, towards any diminution in the carrying value of it's investment in Indmet amounting to ₹ 53.13 crore. Accordingly, these consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty.

38. OTHER EXPENSES

The Group has identified three broad reportable segments viz. 'Ferro Alloys', 'Power' & 'Mining'. Segments have been identified and reported taking into account nature of products, the different risks and returns and the internal business reporting systems. These business segments are reviewed by the Chief Operating Officer of the Group (Chief Operating Decision Maker). Activities not meeting the quantitative threshold as specified in Ind AS 108 - "Operating Segments" are reported as 'Others'. The accounting policies adopted for segment reporting are in line with the accounting policies of the Group with the following additional policies for Segment Reporting:

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to the group as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".

- Segment Assets and Segment Liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "Unallocable".

As per Ind AS 108 - "Operating Segments", the Company has reported segment information on a consolidated basis including businesses conducted through its subsidiaries.

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a. Primary Segment Information (Business Segment)

i. Segment Revenue and Results

(₹ in crore)

Particulars	Ferro Alloys		Power		Mining		Others		Unallocable		Total	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Segment Revenue												
External Sales	1,650.49	1,176.55	-	-	-	-	1.06	2.22	-	-	1,651.55	1,178.77
Inter Segment Sales	-	-	425.38	389.59	173.51	119.17	0.35	1.12	-	-	599.24	509.88
Elimination	-	-	(425.38)	(389.59)	(173.51)	(119.17)	(0.35)	(1.12)	-	-	(599.24)	(509.88)
Total Revenue	**1,650.49**	**1,176.55**	**-**	**-**	**-**	**-**	**1.06**	**2.22**	**-**	**-**	**1,651.55**	**1,178.77**
Segment Result before Finance Costs, Exceptional Items and Taxes	438.74	76.01	(8.54)	(11.79)	(8.83)	(8.59)	(9.58)	(10.04)	41.13	(20.95)	**452.92**	**24.64**
Finance Costs											83.47	80.77
Exceptional Items - Expense (Net)											-	17.15
Profit/(Loss) Before Tax											**369.45**	**(73.28)**
Tax Expenses											120.75	(29.61)
Profit/(Loss) After Tax											**248.70**	**(43.67)**

ii) Segment Assets and Liabilities

(₹ in crore)

Particulars	Segment Assets			Segment Liabilities		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Ferro Alloys	697.56	625.19	742.19	118.31	123.01	158.92
Power	893.41	927.16	958.91	198.71	204.52	190.52
Mining	479.26	446.94	412.39	50.13	48.76	23.66
Others	66.70	74.46	80.81	0.94	1.19	3.91
Unallocable	367.16	320.14	308.63	131.85	91.81	97.35
Total	**2504.09**	**2393.89**	**2502.93**	**499.94**	**469.29**	**474.36**

iii) Other Segment Information

(₹ in crore)

Particulars	Additions to Non-Current Assets		Depreciation and Amortisation		Non Cash Expenses other than Depreciation and Amortisation	
	Year ended 31st March, 2017	Year ended 31st March, 2016	**Year ended 31st March, 2017**	Year ended 31st March, 2016	**Year ended 31st March, 2017**	Year ended 31st March, 2016
Ferro Alloys	16.26	34.49	34.77	34.76	-	-
Power	15.26	23.83	55.80	59.87	-	-
Mining	18.09	28.24	3.52	3.41	-	-
Others	0.17	2.41	7.73	8.42	-	-
Unallocable	8.43	13.64	6.87	7.60	4.33	10.33
Total	**58.20**	**102.61**	**108.69**	**114.06**	**4.33**	**10.33**

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iv) Unallocated Assets comprises of :

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Property, Plant and Equipment	68.94	71.20	77.79
Investments	161.36	23.35	0.11
Capital Work-in-Progress	1.19	8.87	1.09
Goodwill	73.09	74.61	71.53
Income Tax Assets (Net)	23.81	72.99	61.00
Other Assets	38.77	69.12	97.11
Total Assets	**367.16**	**320.14**	**308.63**

v) Unallocated Liabilities comprises of :

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Liabilities (Net)	78.48	37.99	68.62
Other Liabilities	53.37	53.82	28.73
Total Liabilities	**131.85**	**91.81**	**97.35**

b. Information about major customers

Revenue under the segment 'Ferro Alloys' includes revenue from three external customers amounting to ₹ 1337.60 crore (Previous Year: ₹ 824.82 crore) each contributing to more than 10% of the total revenue. The details are as follows:-

(₹ in crore)

Customer	Year ended 31st March, 2017	Year ended 31st March, 2016
I	595.96	508.48
II	560.87	194.25
III	180.77	122.09
Total	**1337.60**	**824.82**

39. The Hon'ble Supreme Court of India vide judgment dated 25th August, 2014 read with its order dated 24th September, 2014 cancelled the allocation of coal blocks to various companies, including the 'Utkal C' coal block held by Utkal Coal Ltd.('UCL'), an SPV in which the Company holds 79.2% equity. Subsequently, on 21st October, 2014, The Coal Mines (Special Provisions) Ordinance, 2014 was promulgated to facilitate, inter alia, auction of coal blocks and compensation to a prior allottee of a coal block. To give continuity to the provisions of the said Ordinance and save the actions taken thereunder, on 26th December, 2014 The Coal Mines (Special Provisions) Second Ordinance, 2014 was promulgated, which was deemed to have come into force on 21st October, 2014 and the earlier Ordinance stood repealed. Subsequently, the Coal Mines (Special Provisions) Act, 2015 was enacted on 30th March, 2015 which was deemed to have come into force on 21st October, 2014, repealing the second Ordinance. Further, the Ministry of Coal issued orders dated 18th December, 2014 and 6th January, 2015 to initiate the auction process and change the end use of 'Utkal C' from captive use (non-regulated sector) to independent power producer (regulated sector). Aggrieved by the above actions of the government, on 13th February, 2015 UCL filed a Writ Petition before the Hon'ble High Court of Delhi challenging, inter alia, the said orders. The judgment in respect of this Writ Petition was delivered on 5th October, 2016 not granting any relief to UCL which, aggrieved, filed a Special Leave Petition on 11th January, 2017 before the Hon'ble Supreme Court challenging the above order dated 5th October, 2016.

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UCL had also filed a separate Writ Petition before the Hon'ble High Court of Delhi on 23rd February, 2015 challenging the basis of valuation of compensation and the restrictive interpretation of 'Mine Infrastructure'. The judgment has been delivered on 9th March, 2017 considering leasehold land [under Coal Bearing Areas (Acquisition and Development) Act, 1957] to be under Mines Infrastructure and not under Freehold Land category for the purpose of compensation. Aggrieved, UCL has filed a Special Leave Petition before the Hon'ble Supreme Court challenging the aforesaid order. Pending resolution of the said matters, no accounting adjustments have been made by UCL in it's books of account which have been prepared on a going concern basis and no provision has been deemed necessary by the Company in its standalone financial statements against the Company's exposure in UCL as at 31st March, 2017 amounting to ₹ 111.42 crore invested as equity and ₹ 262.81 crore given as an unsecured loan. Accordingly, these Consolidated Financial Statements of the Group do not include any adjustments that might result from the outcome of these uncertainties.

40. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURES

(a) Names of Related Parties :

(i) Holding Company		**Country of Origin**
	B Panda and Company Pvt. Ltd. - w.e.f. 9th December, 2016	India
(ii) Key Management Personnel (KMP)		
	Name	**Designation**
1	Dr. Bansidhar Panda	Executive Chairman
2	Mr. Baijayant Panda	Vice Chairman
3	Mr. Subhrakant Panda	Managing Director
4	Mr. Jayant Kumar Misra	Director (Corporate) & COO
5	Mr. Chitta Ranjan Ray	Whole Time Director
6	Mr. Prem Khandelwal	CFO & Company Secretary
(iii) Relatives of Key Management Personnel		
1	Mrs. Paramita Mahapatra - Daughter of Dr Bansidhar Panda and sister of Mr. Baijayant Panda and Mr. Subhrakant Panda.	
2	Mrs. Jagi Mangat Panda - Wife of Mr. Baijayant Panda.	
3	Mrs. Shaifalika Panda - Wife of Mr. Subhrakant Panda.	
4	Mrs. Nivedita Ganapathi - Daughter of Dr. Bansidhar Panda and sister of Mr. Baijayant Panda and Mr. Subhrakant Panda.	
(iv) Enterprises over which KMP and / or relative of such KMP is able to exercise significant influence (with whom transactions have taken place during the year)		
1	B Panda and Company Pvt. Ltd. - w.e.f. 9th December, 2016 it becomes the Holding Company of the Company.	
2	UMSL Ltd.	
3	Esquire Realtors Pvt. Ltd.	
4	Kishangarh Environmental Development Action Pvt. Ltd.	
5	Ortel Communications Ltd.	
6	Odisha Television Ltd.	
7	Palios Corporation	
8	Rutayan Ila Trust	
9	Bansidhar & Ila Panda Foundation	
10	Utkal Charitable Trust	
11	Indian Metals Public Charitable Trust	
12	Raila Enterprises Pvt. Ltd.	
13	Orissa Coal and Services Pvt. Ltd.	

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(b) Summary of Transactions with Related Parties

(Figures in brackets represent corresponding amounts of previous year)

(₹ in crore)

Sl. No.	Nature of Transactions	Holding Company	KMP	Relatives of KMP	Enterprises over which KMP and / or relative of such KMP is able to exercise significant influence
1	Issue of Shares	16.50	-	-	-
		(-)	(-)	(-)	(-)
2	Dividend paid	13.92	0.86	0.44	0.61
		(-)	(-)	(-)	(-)
3	Purchase of raw materials and stores etc.	-	-	-	0.56
		(-)	(-)	(-)	(0.14)
4	Services received	-	0.24	0.02	89.44
		(-)	(0.22)	(0.03)	(57.51)
5	Service Rendered	-	-	-	0.18
		(-)	(-)	(-)	(0.08)
6 (a)	Remuneration	-	25.79	0.46	-
		(-)	(6.87)	(0.54)	(-)
6 (b)	Gratuity and Leave Encashment	-	1.84	-	-
		(-)	(1.52)	(-)	(-)
7	Donations given	-	-	-	0.45
		(-)	(-)	(-)	(0.70)
8	Corporate Social Responsibility expenses	-	-	-	1.61
		(-)	(-)	(-)	(1.65)
9	Reimbursement of Expenses	-	-	-	0.14
		(-)	(-)	(-)	(0.23)
10 a.	Outstanding balances as at 31st March, 2017 :				
	a. Receivables	-	-	-	0.11
	b. Payables	-	18.55	0.08	13.61
10 b.	Outstanding balances as at 31st March, 2016 :			-	
	a. Receivables	-	-	-	0.08
	b. Payables	-	0.46	0.08	26.36
10 c.	Outstanding balances as at 1st April, 2015 :			-	
	a. Receivables	-	-	-	0.02
	b. Payables	-	0.25	-	34.12

Outstanding balances receivable at the year-end are unsecured and settlement occurs in cash.

(c) Disclosure in respect of Material Related Party Transactions during the year (excluding reimbursements) :

1. Issue of Equity Shares (including premium), to B Panda and Company Pvt Ltd. ₹ 16.50 crore (Previous Year : Nil)
2. Dividend Paid to B Panda and Company Pvt Ltd. ₹ 13.92 crore (Previous Year : Nil)
3. Purchases of raw materials and stores from UMSL Ltd. ₹ 0.56 crore (Previous Year : ₹ 0.14 crore).
4. Services received included services from UMSL Ltd. ₹ 83.20 crore (Previous Year : ₹ 52.27 crore).
5. Services rendered to UMSL Ltd. ₹ 0.18 crore (Previous Year : ₹ 0.08 crore).
6. Remuneration includes amount paid to Dr. Bansidhar Panda ₹ 7.53 crore (Previous Year : ₹ 1.55 crore), Mr. Baijayant Panda ₹ 7.66 crore (Previous Year : ₹ 1.62 crore), Mr. Subhrakant Panda ₹ 7.95 crore (Previous Year : ₹ 1.84 crore), Mr. Jayant Kumar Misra ₹ 1.28 crore (Previous Year : ₹ 0.67 crore), Mr. Chitta Ranjan Ray ₹ 0.78 crore (Previous Year : ₹ 0.61 crore) and Mr. Prem Khandelwal ₹ 0.59 crore (Previous Year : ₹ 0.58 crore).
7. Donations include amount given to Bansidhar & Ila Panda Foundation ₹ 0.45 crore (Previous Year : ₹ 0.69 crore).
8. Corporate Social Responsibility Expenses include amount paid to Bansidhar & Ila Panda Foundation of ₹ 1.32 crore (Previous year : ₹ 1.36 crore) and Indian Metals Public Charitable Trust ₹ 0.29 crore (Previous Year : ₹ 0.29 crore).

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(d) Compensation to Key Management Personnel

The compensation to key management personnel during the year was as follows:-

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Short-term employee benefits	26.47	7.08
Post-employment benefits	1.16	1.31
	27.63	**8.39**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

41. The audited financial statements of IMFA Alloys Finlease Ltd. are prepared in accordance with the Accounting Standards (Indian GAAP), as it is an NBFC and Ind AS is not yet applicable to it. Such Indian GAAP financials have been restated into Ind AS financials by the management, for the purposes of consolidation.

The audited financial statements of Indmet Mining Pte. Ltd. are prepared in accordance with Financial Reporting Standards in Singapore (FRS), generally followed in the country of its incorporation. Such Singapore FRS financials have been restated into Ind AS financials by the management, for the purposes of consolidation.

The audited financial statements of PT Sumber Rahayu Indah are prepared in accordance with the Financial Accounting Standards in Indonesia, generally followed in the country of its incorporation. Such financial statements have been restated into Ind AS financials by the management, for the purposes of consolidation.

42. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are provided in the table below:

(₹ in crore)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.45	0.20	0.65
(+) Permitted receipts	-	0.46	0.46
(-) Permitted payments	-	0.44	0.44
(-) Amount deposited in Banks	0.45	0.01	0.46
Closing cash in hand as on 30.12.2016	-	0.21	0.21

43. Disputes between the Company and Grid Corporation of Orissa Ltd. ("GRIDCO") relating to methodology for billing of power, wheeling of power, back-up power drawn during period of grid disturbance etc. were settled in favour of the Company vide a unanimous award of an Arbitral Tribunal dated 23rd March, 2008, by virtue of which GRIDCO was directed to pay ₹ 57.07 Lakh alongwith interest and ₹ 30 Lakh towards costs. Subsequently, GRIDCO filed a petition before the District Judge, Bhubaneswar objecting the award and obtained an interim stay on the operation of the said award. The Company filed it's objection thereto on 19th February, 2009 and the matter is pending for hearing. The Company has not given effect of the aforesaid award in it's books of account on the principles of prudence, as the matter is sub-judice.

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44. In the arbitration proceedings relating to a party's conversion contract, an interim award was passed on 9th January, 2003 upholding issues in the Company's favour, without quantification of the amount payable to the Company towards it's various claims of losses/ damages, which is to be determined by the appointment of a Chartered Accountant or other expert. The Party filed a petition before the Hon'ble High Court at Calcutta on 4th February, 2004 praying to set aside the interim award and the Company filed its objection thereto. The matter is pending before the Hon'ble High Court at Calcutta.

45. Pursuant to the order of Hon'ble Orissa High Court dated 21st April 2005, the Company was paying electricity duty at 6 paise per unit to the Govt. of Orissa and keeping the differential duty of 14 paise per unit in a separate 'no lien account' till final disposal of it's writ petition. The Hon'ble Orissa High Court disposed the said writ petition vide judgment dated 6th May, 2010 by directing the Company to deposit the differential amount of duty lying in no lien account with the State Exchequer. The Company preferred an appeal before the Hon'ble Supreme Court of India against the judgment of Orissa High Court. The Hon'ble Supreme Court vide its order dated 7th February, 2011 directed the company to continue the payment in the same manner but to deposit the differential amount of 14 paise per unit in an Escrow account instead of 'no lien account' till final disposal of the appeal. Accordingly, the Company paid the balance 14 paise per unit in an escrow account (non-interest bearing current account) with State Bank of India from January, 2011. Subsequently, based on a direction received on 9th January, 2015 from Govt. of Odisha, the Company kept the Escrow amount in an interest bearing fixed deposit linked to escrow current account with effect from 21st March, 2015.

On the principles of prudence, the Company fully provided for Electricity Duty @ 20 paise per unit in it's books of account, on accrual basis till September, 2015. Subsequent to the Department of Energy, Govt. of Odisha's Notification No. 8309 dated 1st October 2015, wherein the amended rate of Electricity Duty for a Captive Power Generator was specified at par with that of a Licensee, the Company is paying the applicable duty @ 30 paise per unit to the Govt. of Odisha with effect from October, 2015.

46. The Company had filed a petition before the Hon'ble Orissa High Court under Section 392 of the Companies Act, 1956 to modify the Scheme of Arrangement & Amalgamation and confirm the reduction of share capital by cancellation of 3,49,466 equity shares of ₹ 10/- each held by erstwhile 'ICCL Shareholders Trust'. The petition was approved by the Hon'ble High Court vide its order dated 16th March, 2011 and registered with the Registrar of Companies (ROC), Orissa on 1st April, 2011. Accordingly, the paid up equity share capital reduced from ₹ 26,32,65,190/- divided into 2,63,26,519 equity shares of ₹ 10/- each to ₹25,97,70,530/- divided into 2,59,77,053 equity shares of ₹ 10/- each. Subsequently, several shareholders challenged the reduction of share capital before a Division Bench of the Hon'ble High Court which, vide its judgement dated 19th July, 2011, directed the Company, inter-alia, to restore the aforesaid shares to the Trust and allot it to interested shareholders. The Company then moved the Hon'ble Supreme Court which issued notice in the matter and granted interim stay on the subscription or cancellation of the said 3,49,466 shares. As such, status quo is to be maintained until further orders.

47. EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES IS AS FOLLOWS:

(₹ in crore)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Expenditure included under "Other Expenses" (refer Note No. 34)	1.77	1.83
Expenditure relating to CSR Assets included under "Capital Work-in-Progress" (refer Note No. 2)	-	4.43
Expenditure relating to CSR Assets included under "Property, Plant and Equipment" (refer Note No. 2)	3.68	-
	5.45	**6.26**

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48. DERIVATIVE INSTRUMENTS

(a) The Group uses derivative instruments to hedge foreign currency and interest rate risks and not for speculative purposes. The outstanding contracts entered into by the Group are given below :

Particulars	As at 31st March, 2017		
	Nos.	US Dollar equivalent (in million)	INR equivalent (in crore)
Forward Contracts	58	14.50	92.87
Interest Rate Swap with USD/INR Call Option	1	2.81	18.01
Interest Rate Swap	1	6.53	41.83
Cross Currency Swap	6	48.60	311.30

Particulars	As at 31st March, 2016		
	Nos.	US Dollar equivalent (in million)	INR equivalent (in crore)
Forward Contracts	79	21.75	143.27
Interest Rate Swap with USD/INR Call Option	1	6.56	43.23
Interest Rate Swap	1	8.91	58.67
Cross Currency Swap	6	63.09	415.55

Particulars	As at 1st April, 2015		
	Nos.	US Dollar equivalent (in million)	INR equivalent (in crore)
Forward Contracts	92	24.00	149.23
Interest Rate Swap with USD/INR Call Option	1	10.31	64.12
Interest Rate Swap	1	9.50	59.07
Cross Currency Swap with Call Spread	1	1.24	7.68
Cross Currency Swap	3	40.07	249.14

(b) The foreign currency exposures that are not hedged by a derivative instrument as at year end are given below :

Particulars	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Loans Payable	**Payable for import of goods**	Loans Payable	Payable for import of goods	Loans Payable	Payable for import of goods
US Dollar (in million)	35.57	3.66	35.65	5.24	43.94	9.34
Euro (in million)	-	-	-	0.06	-	-
INR (in crore)	227.85	23.47	234.79	34.93	273.21	58.08

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49. ADDITIONAL INFORMATION AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

As at and for the year ended 31st March, 2017

Name of the Entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive income	Amount (₹ in crore)	As % of total comprehensive income	Amount (₹ in crore)
Parent								
Indian Metals and Ferro Alloys Ltd.	60.48	662.01	101.35	252.06	86.67	(0.26)	101.37	251.80
Subsidiaries								
Indian :								
1. Indian Metals and Carbide Ltd.	0.02	0.20	(0.01)	(0.02)	-	-	(0.01)	(0.02)
2. Utkal Power Ltd.	0.10	1.14	-	-	-	-	-	-
3. Utkal Coal Ltd.	31.22	341.73	(0.02)	(0.04)	10.00	(0.03)	(0.03)	(0.07)
4. IMFA Alloys Finlease Ltd.	(0.57)	(6.23)	(0.52)	(1.29)	-	-	(0.52)	(1.29)
5. Utkal Green Energy Ltd.	0.01	0.08	-	-	-	-	-	-
Foreign :								
1. Indmet Mining Pte Ltd.	5.72	62.63	(0.03)	(0.07)	-	-	(0.03)	(0.07)
2. PT Sumber Rahayu Indah (Subsidiary of Indmet Mining Pte Ltd.)	0.18	1.93	(0.67)	(1.70)	-	-	(0.68)	(1.70)
Non-Controlling Interest in all subsidiaries	2.84	31.08	(0.10)	(0.24)	3.33	(0.01)	(0.10)	(0.25)
TOTAL	**100.00**	**1,094.57**	**100.00**	**248.70**	**100.00**	**(0.30)**	**100.00**	**248.40**

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As at and for the year ended 31st March, 2016

Name of the Entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive income	Amount (₹ in crore)	As % of total comprehensive income	Amount (₹ in crore)
Parent								
Indian Metals and Ferro Alloys Ltd.	59.96	518.20	96.89	(42.31)	100.30	3.36	96.60	(38.95)
Subsidiaries								
Indian :								
1. Indian Metals and Carbide Ltd.	0.02	0.20	0.16	(0.07)	-	-	0.17	(0.07)
2. Utkal Power Ltd.	0.13	1.14	-	-	-	-	-	-
3. Utkal Coal Ltd.	29.07	251.21	0.09	(0.04)	(0.30)	(0.01)	0.12	(0.05)
4. IMFA Alloys Finlease Ltd.	(0.72)	(6.21)	3.11	(1.36)	-	-	3.37	(1.36)
5. Utkal Green Energy Ltd.	0.01	0.07	-	-	-	-	-	-
Foreign :								
1. Indmet Mining Pte Ltd.	7.75	66.94	0.02	(0.01)	-	-	0.02	(0.01)
2. PT Sumber Rahayu Indah (Subsidiary of Indmet Mining Pte Ltd.)	0.16	1.35	0.55	(0.24)	-	-	0.60	(0.24)
Non-Controlling Interest in all subsidiaries	3.62	31.32	(0.82)	0.36	-	-	(0.89)	0.36
TOTAL	**100.00**	**864.22**	**100.00**	**(43.67)**	**100.00**	**3.35**	**100.00**	**(40.32)**

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50. FINANCIAL RISK MANAGEMENT

50.1 Financial risk factors

The Group's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group's principal financial assets include loans and advances, investment in equity instruments and mutual funds, trade receivables and cash and bank balances that arise directly from its operations. The Group also enters into derivative transactions to hedge foreign currency and interest rate risks and not for speculative purposes. The Group is exposed to market risk, credit risk and liquidity risk and the Group's senior management oversees the management of these risks.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates

(a) Currency risk

Foreign currency risk is the risk that fair value of future cash flow of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. For exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on the risk perception of the management. The Group has entered into foreign currency forward contracts and cross currency swap contracts.

The following table demonstrates the sensitivity in the USD to the Indian Rupee and the resulting impact on the Group's Profit /(Loss) before tax, due to changes in the fair value of monetary assets and liabilities :

(₹in crore)

Particulars	Change in currency exchange rate		Effect on Profit / (Loss) Before Tax	
	Year ended 31st March, 2017	Year ended 31st March, 2016	**Year ended 31st March, 2017**	Year ended 31st March, 2016
USD	+5%	+5%	(11.59)	(16.55)
	-5%	-5%	11.59	16.55

(b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. Any changes in the interest rates environment may impact future cost of borrowings. To manage this, the Group has entered into interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

The following table demonstrates the fixed and floating rate borrowings of the Group:

(₹ in crore)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016
Floating rate borrowings	907.67	1,060.19
Fixed rate borrowings	**1.91**	**0.19**

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ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks and other financial instruments..

(a) Trade receivables

The Group extends credit to customers in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent. An impairment analysis is performed at each reporting date on an individual basis for major customers..

The ageing of trade receivables is as follows:

(₹in crore)

Particulars	Outstanding			Total
	upto 6 months	Above 6 months and upto 12 months	Above 12 months	
Trade receivables				
As at 31st March 2017				
Secured	-	-	-	-
Unsecured	53.39	0.43	24.63	78.45
Gross total	**53.39**	**0.43**	**24.63**	**78.45**
Provision for doubtful debts	-	-	(0.38)	(0.38)
Net total	**53.39**	**0.43**	**24.25**	**78.07**
As at 31st March 2016				
Secured	-	-	-	-
Unsecured	10.06	-	16.51	26.57
Gross total	**10.06**	**-**	**16.51**	**26.57**
Provision for doubtful debts	-	-	(0.38)	(0.38)
Net total	**10.06**	**-**	**16.13**	**26.19**

(b) Deposits with banks and other financial instruments

The Group considers factors such as track record, market reputation and service standards to select the mutual funds for Investments and banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Group has also availed borrowings. The Group does not maintain significant cash balances other than those required for its day to day operations.

iii) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, letter of credit and working capital limits. The Group ensures it has sufficient cash to meet operational needs while maintaining sufficient margin on its undrawn borrowing facilities at all times.

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The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Floating rate		
- Expiring within one year - Working Capital Loans	**145.63**	**126.19**
- Expiring within one year - Term Loans	**24.40**	**-**
- Expiring beyond one year - Term Loans	**1.93**	**11.66**

Subject to the continuance of satisfactory credit ratings, the bank facilities may be drawn at any time. Average maturity of undrawn facilities of term loans expiring beyond one year is 5.25 years (As at 31st March, 2016: 6.75 years).

50.2 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Group's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

51. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are recognised in the financial statements.

(₹in crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at fair value through profit or loss						
Investment in Equity Instruments	0.10	0.10	0.10	0.10	0.10	0.10
Investment in Mutual Funds	161.26	161.26	23.26	23.26	-	-
Derivative assets	9.50	9.50	11.36	11.36	10.40	10.40
Prepayment option on Loans	-	-	0.02	0.02	0.07	0.07
Financial Assets designated at amortised cost						
Trade Receivables	78.07	78.07	26.19	26.19	64.50	64.50
Cash and Cash Equivalents	7.39	7.39	5.74	5.74	49.65	49.65
Security and Other Deposits	22.88	22.88	12.37	12.37	10.69	10.69
Fixed Deposits with Banks	29.36	29.36	53.21	53.21	35.93	35.93
Interest accrued but not due on Fixed Deposits with Banks	0.47	0.47	1.51	1.51	2.63	2.63
Total Financial Assets	**309.03**	**309.03**	**133.76**	**133.76**	**173.97**	**173.97**
Financial Liabilities designated at fair value through profit or loss						
Derivative Liabilities	11.75	11.75	27.70	27.70	8.51	8.51
Financial Liabilities designated at amortised cost						
Borrowings (including current maturities)	909.58	909.58	1,060.38	1,060.38	1,118.06	1,118.06
Trade Payables	117.83	117.83	138.92	138.92	167.34	167.34

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(₹in crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value	Carrying Value	Fair Value
Creditors for Capital Goods	7.63	7.63	10.72	10.72	12.54	12.54
Liability for Operating and Other Expenses	67.32	67.32	62.92	62.92	44.10	44.10
Interest accrued but not due on borrowings	1.74	1.74	3.20	3.20	3.97	3.97
Earnest Money and Security Deposits	1.98	1.98	1.65	1.65	12.56	12.56
Commission / Remuneration Payable to Directors	18.80	18.80	0.46	0.46	0.25	0.25
Payable to Employees	8.53	8.53	7.91	7.91	7.70	7.70
Unclaimed Dividend	1.05	1.05	0.80	0.80	0.74	0.74
Other Financial Liabilities	1.34	1.34	1.34	1.34	1.34	1.34
Total Financial Liabilities	**1,147.55**	**1,147.55**	**1,316.00**	**1,316.00**	**1,377.11**	**1,377.11**

Fair valuation techniques

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate certain fair values:

i) The fair values of the mutual funds are based on their published Net Asset Values at the reporting date.
ii) Fair value of cash and deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short- term maturities of these instruments.
iii) The fair values of derivatives are based on marked to market valuation statements received from banks with whom the Group has entered into the relevant contracts.
iv) The fair value of investment in equity instrument approximate its carrying amount which is the most appropriate estimate of fair value in the absence of recent information to measure fair value.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

i) Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable, then the instrument is included in level 2.
iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in crore)

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Mutual Funds	161.26	-	-	23.26	-	-	-	-	-
Derivative assets	-	9.50	-	-	11.36	-	-	10.40	-
Prepayment option on Loans	-	-	-	-	0.02	-	-	0.07	-
Total Financial Assets	**161.26**	**9.50**	**-**	**23.26**	**11.38**	**-**	**-**	**10.47**	**-**

NOTES
to Consolidated Financial Statements

(₹ in crore)

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Liabilities									
Derivative liabilities	-	11.75	-	-	27.70	-	-	8.51	-
Total Financial Liabilities	**-**	**11.75**	**-**	**-**	**27.70**	**-**	**-**	**8.51**	**-**

During the year ended 31st March, 2017 and 31st March, 2016, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under Level 3.

Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy, as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 :

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial Assets			
Derivative Assets			
- Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flow
-Interest rate and cross currency swaps	Level 2	Market valuation techniques	Prevailing/forward interest rates in market, interest rates to discount future cash flow
Prepayment option of loans	Level 2	Discounted cash flow technique	Risk free interest rate to discount contractual cash flows, interest rate on the loan
Financial Liabilities			
Derivative Liabilities			
-Interest rate and cross currency swaps	Level 2	Market valuation techniques	Prevailing/forward interest rates in market, interest rates to discount future cash flow

52. EXPLANATION OF TRANSITION TO IND AS

Ind AS 101: First-time Adoption of Indian Accounting Standards

Mandatory exceptions and Optional exemptions

The Group has prepared the opening balance sheet as per Ind AS as on 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from the previously applicable Indian GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Group are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

Classification and measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition and the Group has complied accordingly. As per Ind AS 101, for financial assets or financial liabilities classified as at amortised cost, if it is impracticable for the an entity to apply retrospectively the effective interest method as mentioned in Ind AS 109, the fair value of the financial assets or financial liabilities at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or financial liability at the date of transition to Ind AS. For financial assets and financial liabilities classified as at amortised cost, measurement has been done retrospectively by the Group.

Voluntary exemptions availed

Deemed cost for Property, Plant and Equipment, Investment Property and Intangible Assets

The Group has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as on the transition date measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as of the transition date.

NOTES
to Consolidated Financial Statements

53. EFFECT OF IND AS ADOPTION ON THE CONSOLIDOTED BALANCE SHEET AS AT 31ST MARCH, 2016 AND 1ST APRIL, 2015

(₹ in crore)

Particulars	As at 31st March, 2016			As at 1st April, 2015		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	1,274.78	(23.73)	1,251.05	1,300.22	(11.97)	1,288.25
Capital Work-in-Progress	200.26	25.63	225.89	188.95	20.53	209.48
Investment Property	-	11.58	11.58	-	11.90	11.90
Goodwill	74.61	-	74.61	71.53	-	71.53
Other intangible Asset	4.46	-	4.46	-	-	-
Intangible Assets under Development	-	-	-	4.25	-	4.25
Financial Assets						
-Investments	0.10	-	0.10	0.10	-	0.10
-Trade Receivables	11.39	-	11.39	11.39	-	11.39
-Loans	12.40	(0.03)	12.37	10.78	(0.09)	10.69
-Other Financial Assets	0.05	7.44	7.49	0.05	7.66	7.71
Other Non-Current Assets	187.21	(39.29)	147.92	181.63	(49.59)	132.04
Non-Current Tax Assets (Net)	73.00	-	73.00	61.00	-	61.00
Current Assets						
Inventories	352.89	(21.98)	330.91	405.09	(20.52)	384.57
Financial Assets						
-Investments	23.03	0.23	23.26	-	-	-
-Trade Receivables	14.80	-	14.80	53.11	-	53.11
-Cash and Cash Equivalents	5.74	-	5.74	49.65	-	49.65
-Other Bank balances	53.16	-	53.16	35.88	-	35.88
-Other Financial Assets	5.43	0.02	5.45	5.98	(0.54)	5.44
Other Current Assets	142.66	(1.95)	140.71	168.34	(2.40)	165.94
	2,435.97	**(42.08)**	**2,393.89**	**2,547.95**	**(45.02)**	**2,502.93**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	25.98	-	25.98	25.98	-	25.98
Other Equity	803.86	3.06	806.92	855.34	(1.77)	853.57
Non-Controlling Interest	31.34	(0.02)	31.32	30.96	-	30.96
LIABILITIES						
Non-Current Liabilities						
Financial Liabilities						
- Borrowings	719.04	(14.34)	704.70	782.42	(9.76)	772.66
-Other Financial Liabilities	21.73	7.44	29.17	6.27	3.85	10.12
Provisions	8.00	-	8.00	4.89	-	4.89
Deferred Tax Liabilities (Net)	69.58	(31.59)*	37.99	99.62	(31.00)*	68.62
Other Non - Current Liabilities	128.57	-	128.57	121.35	-	121.35
Current Liabilities						
Financial Liabilities						
- Borrowings	200.81	-	200.81	213.01	-	213.01
-Trade Payables	138.92	-	138.92	167.34	-	167.34
-Other Financial Liabilities	246.84	(4.44)	242.40	214.17	(0.19)	213.98
Other Current Liabilities	35.22	-	35.22	15.01	-	15.01
Provisions	6.08	(2.19)	3.89	11.59	(6.15)	5.44
	2,435.97	**(42.08)**	**2,393.89**	**2,547.95**	**(45.02)**	**2,502.93**

* includes MAT Credit Entitlement - In the previous GAAP, MAT credit entitlement was being reflected under Non-Current Assets but under Ind AS, it is being netted off against Deferred tax liabilities (Net)

NOTES
to Consolidated Financial Statements

54. EFFECT OF IND AS ADOPTION ON THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in crore)

Particulars	Year ended 31st March, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit and Loss
INCOME			
Revenue from Operations	1,211.30	15.23	1,226.53
Other Income	15.45	0.23	15.68
Total Income	**1,226.75**	**15.46**	**1,242.21**
EXPENSES			
Cost of Materials Consumed	655.87	-	655.87
Changes in Inventories of Finished Goods	28.19	-	28.19
Excise Duty	-	15.23	15.23
Employee Benefits Expense	137.06	(1.96)	135.10
Finance Costs	80.23	0.54	80.77
Depreciation and Amortisation Expense	114.20	(0.14)	114.06
Other Expenses	276.94	(7.82)	269.12
Total Expenses	**1,292.49**	**5.85**	**1,298.34**
Profit/(Loss) before Exceptional Items & Tax	**(65.74)**	**9.61**	**(56.13)**
Exceptional Items - Expense (Net)	17.15	**-**	17.15
Profit/(Loss) Before Tax	**(82.89)**	**9.61**	**(73.28)**
Tax Expense:			
-Current Tax	0.95	-	0.95
-Deferred Tax	(30.04)	(0.52)	(30.56)
Profit/(Loss) After Tax	**(53.80)**	**10.13**	**(43.67)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plans	-	(1.97)	(1.97)
- Income Tax	-	0.61	0.61
Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of a foreign operation	-	4.71	4.71
Total Comprehensive Income for the year (before adjustment for non-controlling interest)	**(53.80)**	**13.48**	**(40.32)**

55. RECONCILIATION OF EQUITY BETWEEN THE PREVIOUSLY APPLICABLE INDIAN GAAP AND IND AS IS AS FOLLOWS:

(₹ in crore)

Particulars	As at 31st March, 2016	As at 1st April, 2015
Equity as per the previously applicable Indian GAAP (Equity Share Capital + Reserves and Surplus)	**861.18**	**912.28**
Add/(Less) : Adjustments under Ind AS		
Dividends not recognised as liability until declared under Ind AS	2.19	6.15
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	1.47	0.05
Fair valuation of Current Investments	0.17	-
Amortisation of Leasehold Land	(0.19)	-

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to Consolidated Financial Statements

(₹ in crore)

Particulars	As at 31st March, 2016	As at 1st April, 2015
Depreciation on Investment Property	(0.25)	-
Fair valuation of Derivative Financial Instruments	-	(6.48)
Fair valuation of Other Financial Instruments	-	(0.02)
Others	-	0.01
Deferred Tax adjustments (net) on above	(0.35)	(1.48)
'Total Equity as per Ind AS	**864.22**	**910.51**

56. RECONCILIATION OF PROFIT/(LOSS) BETWEEN THE PREVIOUSLY APPLICABLE INDIAN GAAP AND IND AS IS AS FOLLOWS:

Particulars	Year ended 31st March, 2016
Loss after tax as per the previously applicable Indian GAAP (before adjustment for Minority Interest)	**(53.80)**
Add/(Less) : Adjustments under Ind AS	
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	1.42
Fair valuation of Derivative Financial Instruments	6.48
Actuarial remeasurements of Defined Benefit Obligations	1.96
Fair valuation of Current Investments	0.17
Amortisation of Leasehold Land	(0.44)
Others	0.02
Deferred Tax adjustments (net) on above	0.52
Profit / (Loss) after tax but before Other Comprehensive Income, as per Ind AS	**(43.67)**
Other Comprehensive Income (net of tax)	3.35
Total Comprehensive Income under Ind AS (before adjustment for Non-Controlling Interest)	**(40.32)**

57. Previous year / period figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.

The notes referred to above form an integral part of the Consolidated Balance Sheet.
This is the Consolidated Balance Sheet referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

Prem Khandelwal
CFO & Company Secretary

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: Bhubaneswar
Date: 18th May, 2017

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CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Executive Chairman
Dr B Panda

Vice Chairman
Mr Baijayant Panda

Managing Director
Mr Subhrakant Panda

Director (Corporate) & COO
Mr J K Misra

Whole-time Director
Mr C R Ray

Directors
Mrs Paramita Mahapatra

Mr D Bandyopadhyay

Major R N Misra (Retd.)

Mr N R Mohanty, Padma Shri

Mr Stefan Georg Amrein

Mr S P Mathur

General Shankar Roychowdhury (Retd.)

Mr Santosh Nautiyal

Mr Bijoy Kumar Das

CFO & Company Secretary
Mr Prem Khandelwal

AUDITORS

Haribhakti & Co. LLP
Chartered Accountants

BANKERS/TERM LENDERS

Allahabad Bank

Corporation Bank

Export-Import Bank of India

ICICI Bank Limited

IDBI Bank Limited

Indian Overseas Bank

Srei Infrastructure Finance Limited

HDFC Bank Limited

Standard Chartered Bank

State Bank of India

Syndicate Bank

The South Indian Bank Limited

REGISTERED OFFICE

IMFA Building, Bomikhal, P.O. Rasulgarh
Bhubaneswar - 751 010, Odisha

PLANTS

Therubali, Dist: Rayagada, Odisha
Choudwar, Dist: Cuttack, Odisha

MINES

Sukinda, Dist: Jajpur, Odisha

Mahagiri, Dist: Jajpur, Odisha

Nuasahi, Dist: Keonjhar, Odisha

REGISTRATION & SHARE TRANSFER WORK

Members are requested to correspond directly with Company Secretary at the Registered Office of the Company
e-mail: investor-relation@imfa.in

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