



**HIRA** FERRO ALLOYS  
**ANNUAL REPORT**  
**2015 -16**



**HIRA FERRO ALLOYS LIMITED**



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Biswajit Choudhuri  
Mr. N. P. Agrawal  
Mr. B.N. Ojha  
Mr. Arvind Dubey  
Mr. Y. C. Rao  
Mr Manohar Khatri

Chairman, Independent Director  
Managing Director  
Independent Director  
Executive Director  
Non- Executive Director  
Executive Director (w.e.f. 24.11.2015)

### CHIEF FINANCIAL OFFICER

Mr. Dilip Chauhan

### COMPANY SECRETARY

Mr. Mohit Chande

### AUDITORS

O.P. Singhania & Co.  
Chartered Accountants, Raipur

### INTERNAL AUDITORS

JDS & Co.  
Chartered Accountants, Raipur

### REGISTRAR AND TRANSFER AGENT

M/s. Link Intime India Private Limited,  
C-13 Pannalal Silk Mill Compound, LBS Marg,  
Bhandup (West), Mumbai - 400 078  
E-mail : rnt.helpdesk@linkintime.co.in

### BANKERS

State Bank of India  
Axis Bank Limited  
IDBI Bank Limited

### REGISTERED OFFICE

567B, Urla Industrial Area,  
Raipur -493221 Chhattisgarh  
Tel: +91 – 771 - 4082350/ 4082360  
Fax: +91 – 771 – 4082440  
www.hiraferroalloys.com

### CORPORATE OFFICE

Hira Arcade, Near New Bus Stand,  
Pandri, Raipur 492 004, Chhattisgarh,  
Tel.: +91 – 771 – 4082000/ 4082001  
Fax: +91 – 771 – 4057601

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## DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 32th Annual Report on the business & operations of the Company together with the Audited Statement of Financial Accounts and the Auditor's Report of the Company for the year ended 31st March 2016.

### FINANCIAL RESULTS

	Standalone		Consolidated	
	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2016	Year ended 31.03.2015
Net Sales	18607.46	17462.16	18607.46	17462.16
Other Income	194.42	4081.47	194.42	4081.47
Total Income from Operations	18801.88	21543.63	18801.88	21543.63
<b>Profit before Interest, Depreciation and Tax</b>	<b>772.60</b>	3391.13	<b>772.60</b>	3391.13
Finance Charges	640.46	928.01	640.46	928.01
Depreciation & Amortization Expenses	799.99	962.23	799.99	962.23
<b>Profit before Tax</b>	<b>(667.85)</b>	1500.89	<b>(667.85)</b>	1500.89
Less: Provision for Income Tax, Tax related to earlier years & Wealth Tax Provision	(178.07)	334.23	(178.08)	334.23
Add: Share & Profit of Associate	--	--	0.17	1.39
<b>Net Profit after Tax</b>	<b>(489.78)</b>	1166.66	<b>(489.61)</b>	1168.06
Add: Balance brought forward from previous year	10915.60	10040.53	10916.94	10040.48
Profit available for appropriations	10425.82	11207.19	10427.33	11208.54
Dividend and Dividend Distribution Tax	0.00	141.60	0.00	141.60
Transfer to Reserves	0.00	150.00	0.00	150.00
<b>Balance carried forward to subsequent year</b>	<b>10425.82</b>	10915.60	<b>10427.33</b>	10916.94

### REVIEW OF PERFORMANCE:

The performance of your Company during the year under review remained sluggish under the prevailing circumstances and overall slowdown in demand growth. The highlights of the financial performance for the year are as under:

#### 1. Standalone Operations

- Net Sales Revenue increased by 6.56 % to ₹ 18607.46 Lakhs from ₹ 17462.16 Lakhs recorded in previous year.
- The sale of electricity division increased to ₹ 3791.03 Lakhs as against sale of previous year of ₹ 2887.55 Lakhs, registering a growth of 31.29% in view of operations of Bio-mass Power Plant.
- The Company registered Net Loss of ₹489.60 Lakhs as against net profit after tax of ₹1166.66 Lakhs during the previous year.

#### 2. Consolidated Operation

The Financial Statements of Associate company M/s. Active Chemicals Private Limited have been consolidated. However there are no operations in the said Associate Company during the Financial Year 2015-16.

### DIVIDEND

Your Directors could not recommend any dividend since the Company has registered losses during the year under review .

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 125 of the Companies Act, 2013, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on Sep.19 2015 (date of last Annual General Meeting) on the Company's website [www.hiraferroalloys.com](http://www.hiraferroalloys.com) as also on the Ministry of Corporate Affairs' website.

### SHARE CAPITAL

There is no change in the Capital structure of the company during the year under review.

As on March 31, 2016, the paid up Equity Share Capital of the company was ₹ 1958.85 Lacs divided into 1,95,88,500 Equity Shares of ₹10 each/-.

During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2016 the company has not issued any convertible instruments and none of the Directors of the Company hold convertible instruments of the Company.

The equity shares of the company representing 99.15% of the share capital are dematerialized as on 31st March 2016. The dematerialization facility is available to the shareholders of the company from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Depositories has allotted the ISIN: INE573I01011 to the Company for dematerialization of shares of the company.

### DEPOSITS

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**TRANSFER TO RESERVES**

During the Financial year 2015-16, your Company has not transferred any amount to General Reserve.

**CHANGES IN NATURE OF BUSINESS:**

The Company has been engaged in the business of manufacturing Ferro Alloys, Products, Generation of Electricity and Fly Ash Bricks. There is no change in the nature of business of the Company during the Financial Year 2015-16.

**MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:**

There are no material changes and commitments affecting the financial position of the Company occurred between the 01.04.2016 to the date of this report.

**CHANGES IN STATUS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:**

None of the companies has become subsidiary or associate of the Company during the Financial Year 2015-16, however your Company has been ceased to be subsidiary company of M/s Godawari Power and Ispat Limited (GPIL) and became associate of GPIL. Your Company has not entered into any Joint Venture during the Financial Year 2015-16. M/s Active Chemical Private Limited is continued to be associate company during the year. The details of Associate company are given in **Annexure A** to Director Report.

**PARTICULARS OF EMPLOYEES**

The Statement showing the names and other particulars of the employees of the company as required under Rule 5 (2 & 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be furnished since none of the employees of the company has received remuneration in excess of the remuneration mentioned in the above mentioned Rule 5 (2) during the financial year 2015-16.

**CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONS:**

During the year under review, pursuant to the provisions of Section 203 and read with rule 8 of the (Appointment and Remuneration of Managerial Personnel) of the Companies Act, 2013 and subject to shareholder approval on ensuing Annual General Meeting Shri Manohar Kharti was appointed as the whole-time director and designated as Key Managerial Person with effect from 24.11.2015.

The Board of Directors in its meeting held on 27th May, 2016, subject to approval of shareholders in ensuing Annual General Meeting on recommendation of the Nomination and Remuneration Committee, has approved the proposal for re-appointment of Mr. Narayan Prasad Agrawal as Managing

Director of the Company with effect from 1st October, 2016 for a further period of 5 years and for re-appointment of Mr. Arbind Kumar Dubey as Whole Time Director of the Company with effect from 6th August, 2016 for a further period of 5 years.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Shri Yarra Chandra Rao, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**CONSTITUTION OF CSR COMMITTEE, CSR POLICY AND INITIATIVES**

The Corporate Social Responsibility Committee meeting during the year 2015-16 held on 10.08.2015. The composition of the committee and the details of meeting attended by the members during the year are given below:

Sl. No.	Name of the Member	Designation	Attendance at the CSR Committees held on 10.08.2015
1	Shri Biswajit Choudhuri	Chairman-Independent Director	Present
2	Shri Arbind Kumar Dubey	Member Executive Director	Absent
3	Shri Y. C. Rao	Member Non Executive Director	Present

**CSR Committee's Responsibility Statement:**

CSR Committees hereby states that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. The said policy has been approved and adopted by the Board of directors of the Company, the contents of which have been displayed on the company's website of the Company at [www.hiraferroalloys.com](http://www.hiraferroalloys.com).

Our company was not required to spend any amount during FY 2015-16 on CSR activities and hence the CSR Report is not applicable.

**AUDIT COMMITTEE COMPOSITION:**

The Board of Directors has constituted an Audit Committee comprising of three directors including two Independent Directors and one Non-Executive Director all having financial literacy.

The audit committee met four times during the year 2015-16. The composition of the committee and the details of meeting attended by its members during the year are given below:

Sl. No.	Name of the Member	Designation	Attendance at the Audit Committees held on			
			15.05.2015	10.08.2015	06.11.2015	12.02.2015
1	Shri Biswajit Choudhuri	Chairman-Independent Director	Present	Present	Present	Present
2	Shri Bhrigunath Ojha	Member Independent Director	Present	Absent	Present	Present
3	Shri Y. C. Rao	Member Non Executive Director	Present	Present	Present	Present

The functioning and terms of reference of the Audit Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013 based on the representations received from the operating management and Chief Financial Officer of the company:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That your Directors have selected such accounting policies and applied them consistently, and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
- d) That your Directors have prepared the annual accounts on a going concern basis;
- e) That your Directors had laid down proper internal financial controls to be followed by the company and that such financial controls are adequate and were operating effectively.
- f) That your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:**

All independent directors of the Company have given declarations as required under the provisions of section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013.

#### **INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors met on February 12, 2016, *intra alia*, to discuss:

- Review the performance of non-independent directors; and
- Review the performance of the Board as a whole.
- Review the performance of the Chairman of the company, taking into account the views of executive directors and non executive directors.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

#### **ANNUAL EVALUATION OF BOARD, ETC.**

The Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the each of the directors of the company. On the basis of said criteria, the Board and all its committees and directors have been evaluated by the Board of the directors.

#### **NUMBER OF MEETINGS OF BOARD:**

During the year five Board Meetings were duly convened and the necessary quorum was maintained in all the said meetings.

The Composition of the Board and the attendance of the members are as under;

Sl. No.	Name of the Member	Designation	Attendance at the Board Meeting held on				
			15.05.2015	10.08.2015	06.11.2015	24.11.2015	12.02.2015
1	Shri Biswajit Choudhuri	Chairman-Independent Director	Present	Present	Present	Absent	Present
2	Shri Narayan Prasad Agrawal	Managing Director	Present	Present	Present	Present	Present
3	Shri Bhrigunath Ojha	Independent Director	Present	Absent	Present	Absent	Present
4	Shri Arbind Kumar Dubey	Executive Director	Present	Present	Present	Present	Present
5	Shri Y. C. Rao	Non Executive Director	Present	Present	Present	Present	Present
6	Shri Manohar Khatri*	Executive Director	NA	NA	NA	NA	Present

\*Shri Manohar Khatri was appointed as Executive Director on the Board of the Company with effect from 24.11.2015.

#### **AUDITORS:**

##### **Statutory Auditors**

M/s O.P. Singhania and Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment and also satisfies the criteria as mentioned under Section 141 of the Companies Act, 2013.

**Cost Auditors**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules, 2014, M/s Sanat Joshi & Associates has been appointed as cost auditors for conducting Cost Audit for the financial year 2015-16.

**Internal Auditors**

M/s. JDS & Co, Chartered Accountants were appointed as Internal Auditors for the FY 2015-16.

**AUDITOR'S REPORTS**

There are modified opinion, no qualifications, reservations, adverse remarks or disclaimers in the statutory Auditor's Report on the Financial Statements of the company for the financial year 2015-16 and hence does not require any explanations or comments.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Board of Directors in its meeting held on 09.02.2015 approved and established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014.

The said Policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads and the new employees shall be informed about the Vigil Policy by the Personnel Department at the time of their joining.

**RELATED PARTY TRANSACTIONS**

The Audit Committee in its meeting held on 10.08.2015 has given their approval to the Board of the Company for entering into transactions with related party transaction in accordance of the provisions of Section 188 of the Companies Act, 2013.

All related party transactions that were entered into by the Company during the financial year 2015-16 were on arms length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or related parties which may have a potential conflict with the interest of the company at large.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans given and Investments made by the company as covered under the provisions of Section 186 of the Companies Act, 2013 are given in Financial Statements (Ref. Note 12, 13 & 15). The company has not given any corporate guarantees to any other party.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are as under :-

**Conservation of Energy :**

Steps taken for conservation:	No additional measures have been taken during the financial year for conservation of energy
Steps taken for utilization of alternate sources of energy:-	None
Capital Investment of energy conservation equipments:-	NIL
Technology Absorption	
Efforts made for technology absorption	None
Benefit Derived	NA
Expenditure on Research and Development, if any	None
Details of technology Import, if any	None
Year of Import	NA
Whether imported technology fully absorbed	NA
Area where absorption of imported technology has not taken place if any	NA
Foreign Exchange Earning/Outgo	
Earning	239.50 Lacs
Outgo	744.03 Lacs
During the year under review your company has used foreign exchange of ₹ 81.51 Lacs (previous year ₹ 101.06 Lacs).	

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **Annexure- B**.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an internal control system commensurate with the size and scale and complexity of its operations. The scope and authority of Internal Audit functions have been defined in the Internal Audit Charter to maintain its objectivity and independence. The Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the company, its compliance with operating system, accounting procedures and policies of the company. Based on the report of the Internal Auditors, process owners undertake corrective actions in their respective areas and thereby strengthen the control. Significant Audit observations and corrective actions, thereon are presented to the Audit Committee of the Board.

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Company has adopted a Risk Management Policy to identify and evaluate business risks associated with the operations and other activities of the Company and formulated risk mitigations strategies.

**NOMINATION AND REMUNERATION POLICY:**

During the year two meetings were duly convened and all the members were attended the meeting. The composition of the committee and the details of meeting attended by the members during the year are given below:

Sl. No.	Name of the Member	Designation	Attendance at the Nomination and Remuneration Committees held on	
			15.05.2015	06.11.2015
1	Shri Bhrgunath Ojha	Chairman-Independent Director	Present	Present
2	Shri Biswajit Choudhuri	Member Independent Director	Present	Present
3	Shri Y. C. Rao	Member Non Executive Director	Present	Present

Company's Policy on Directors appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is attached herewith as **Annexure-C**.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Committee comprises of Two Independent Directors and one Non-Executive Director and Company Secretary has been designated as secretary to the committee. During the year there is no change in the Composition of the Committee.

During the year two meetings were duly convened and all the members were attended the meeting. The composition of the committee and the details of meeting attended by the members during the year are given below:

Sl. No.	Name of the Member	Designation	Attendance at the Audit Committees held on			
			15.05.2015	10.08.2015	06.11.2015	12.02.2015
1	Shri Bhrgunath Ojha	Chairman-Independent Director	Present	Absent	Present	Present
2	Shri Biswajit Choudhuri	Member Independent Director	Present	Present	Present	Present
3	Shri Y. C. Rao	Member Non Executive Director	Present	Present	Present	Present

The Committee oversees the performance of the Registrar and Share Transfer Agents', recommends measures to improve the level of investor services and matters pertaining to shareholders' complaints and grievances e.g. non-receipt of annual report, non-receipt of dividend warrant, change of address etc..

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary Training) are covered under this Policy. However no complaint has been received during the year 2015-16.

#### **ACKNOWLEDGEMENTS**

The Board expresses its sincere gratitude to the shareholders, bankers, State and Central Government authorities and the valued customers for their continued support. The Board also wholeheartedly acknowledges and appreciates the dedicated efforts and commitment of all employees of the Company.

**For and on behalf of Board of Directors**

**Biswajit Choudhuri**  
Chairman

**Raipur, 27.05.2016**

**Form AOC- 1**

(Pursuant to first proviso to sub- section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

**PART - B**

(₹ In Lakhs)

<b>Name of Associates Company</b>	<b>Active Chemicals Private Limited</b>
Last Audited Balance Sheet Date	31st March, 2016
Number of Shares held by the Company as on 31st March, 2016	2004 of ₹100/- each
Amount of Investment in Associate Company	₹ 2.71
Extent of holding %	28.04%
Description of how there is a significant influence	There is significant influence due to percentage (%) of Share Capital.
Reason why the Joint Venture is not consolidated	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 7.57
Profit / Loss for the year	
I Considered in Consolidation	₹ 0.17
II Not Considered in Consolidation	NA

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2016

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

**I. REGISTRATION AND OTHER DETAILS**

CIN	U27101CT1984PLC005837
Registration Date :	31.12.1984
Name of the Company:	Hira Ferro Alloys Limited
Category / Sub-Category of the Company:	Company Limited By Shares
Address of the Registered office and contact details:	Plot No. 567/B, Urla Industrial Area, Raipur Chhattisgarh, Phone +91-771-4082450-51 Fax : +91-771-4082452
Whether listed company:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S Marg Bhandup (West), Mumbai, 400078 Ph. No. 022-25963838 Email: rnt.helpdesk@linkintime.co.im

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Ferro Alloys	27110	81.15%
2	Generation of Electricity	40102	18.78%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and address of the company	CIN/GLN	Holding/subsidiary / associate	% of shares held	Applicable Section
1.	Active Chemicals Private Limited	U51112CT1988PTC004532	Associate	28.04%	2(6)

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	478782	0	478782	2.44	378782	0	378782	1.93	(0.51)
b) Central Govt	0		0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	16122033	0	16122033	82.31	16202121	0	16202121	82.71	0.40
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other/PAC	1988000	0	1988000	10.15	2087835	0	2087835	10.66	0.51
<b>Sub-total (A) (1):-</b>	<b>18588815</b>	<b>0</b>	<b>18588815</b>	<b>94.90</b>	<b>18668738</b>	<b>0</b>	<b>18668738</b>	<b>95.30</b>	<b>0.40</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A) (2)</b>	<b>18588815</b>	<b>0</b>	<b>18588815</b>	<b>94.90</b>	<b>18668738</b>	<b>0</b>	<b>18668738</b>	<b>95.30</b>	<b>0.40</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	101410	67500	168910	0.86	108813	67500	108813	0.56	(0.30)
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	512656	100331	612987	3.12	453422	98231	551653	2.82	0.30
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	200644	0	200644	1.02	200644	0	200644	1.02	0
c) Others									
i) Clearing Member	2180	0	2180	0.01	2505	0	2505	0.01	0
ii) Trust	0	0	0	0	0	0	0	0	0
iii) NRI (Rebate)	9288	0	9288	0.05	9158	0	9158	0.05	0
iv) NRI (Non Rebate)	5676	0	5676	0.03	5676	0	5676	0.03	0
v) Other Director	0	0	0	0	15	0	15	0	0
vi) HUF	0	0	0	0	41298	0	41298	0.21	0.21
<b>Sub-total (B)(2):-</b>	<b>831854</b>	<b>167831</b>	<b>999685</b>	<b>5.10</b>	<b>754031</b>	<b>165731</b>	<b>919792</b>	<b>4.70</b>	<b>(0.40)</b>
<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	<b>831854</b>	<b>167831</b>	<b>999685</b>	<b>5.10</b>	<b>754031</b>	<b>165731</b>	<b>919792</b>	<b>4.70</b>	<b>(0.40)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>19420669</b>	<b>167831</b>	<b>19588500</b>	<b>100.00</b>	<b>19422769</b>	<b>165731</b>	<b>19588500</b>	<b>100.00</b>	<b>0</b>

i) Category-wise Share Holding (B) Shareholding of Promoters

S. NO.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Godawari Power And Ispat Ltd	10041000	51.26	0	9491000	48.45	0	(2.81)
2	Hira Infra-Tek Limited	4374533	22.34	0	4454621	22.74	0	0.40
3	Alok Ferro Alloys Limited	975000	4.98	0	975000	4.98	0	0
4	Hira Cement Limited	650000	3.32	0	650000	3.32	0	0
5	Hira Power And Steels Limited	31500	0.16	0	31500	0.16	0	0
6	Hira Steels Limited	50000	0.26	0	50000	0.26	0	0
7	N P Agrawal	265782	1.36	0	15782	0.08	0	(1.28)
8	Hanuman Prasad Agrawal	105000	0.54	0	5000	0.03	0	(0.51)
9	Bajrang Lal Agrawal	104000	0.53	0	104000	0.53	0	0
10	Dinesh Agrawal	1078000	5.50	0	270000	1.37	0	(4.13)
11	Madhu Agrawal	199500	1.02	0	199500	1.02	0	0
12	Godawari Agrawal	192500	0.98	0	192500	0.98	0	0
13	Reena Agrawal	181500	0.93	0	281500	1.44	0	0.51
14	Sita Devi Agrawal	64000	0.33	0	64000	0.33	0	0
15	Jagdish Prasad Agrawal (HUF)	4500	0.02	0	4500	0.02	0	0
16	Jagdish Prasad Agrawal	10000	0.05	0	10000	0.05	0	0
17	Kanika Agrawal	4500	0.02	0	812500	4.15	0	4.13
18	Hanuman Prasad Agrawal	4000	0.02	0	4000	0.02	0	0
19	Bajrang Lal Agrawal	3000	0.02	0	3000	0.02	0	0
20	Jagdish Prasad Agrawal	3000	0.02	0	3000	0.02	0	0
21	Abhishek Agrawal	1000	0.01	0	1000	0.01	0	0
22	Siddharth Agrawal	1000	0.01	0	835	0.00	0	0
23	Gopal Prasad Agrawal	211000	1.08	0	211000	1.08	0	0
24	Sarita Devi Agrawal	22000	0.11	0	22000	0.11	0	0
25	Amit Kumar Agrawal	12500	0.06	0	12500	0.06	0	0
26.	Kumar Agrawal	0	0	0	250000	1.28	0	1.28
27	Vinay Buidcon Private Limited	0	0	0	550000	2.81	2.81	(2.81)
<b>Total</b>		<b>18588815</b>	<b>94.90</b>	<b>0</b>	<b>18668738</b>	<b>95.30</b>	<b>0</b>	<b>0.40</b>

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company	
<b>I</b>	<b>HIRA INFRA-TEK LIMITED</b>					
1	At the beginning of the year	4374533	22.34	4374533	22.34	
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	17.04.2015	Acquisition pursuant to the provisions of Chapter III of the Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2009	18621	0.10	4393154	22.43
	15.05.2015		1000	0.01	4394154	22.43
	26.06.2015		53300	0.27	4447454	22.70
	07.08.2015		1000	0.01	4448454	22.71
	21.08.2015		250	0.00	4448704	22.71
	04.09.2015		5917	0.03	4454621	22.74
3	At the End of the year	4454621	22.74	4454621	22.74	

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>II</b>	<b>KANIKA AGRAWAL</b>					
1	At the beginning of the year	4500	0.02	4500	0.02	
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	11.12.2015	transfer	808000	4.12	812500	4.15
3	At the End of the year	812500	4.15	812500	4.15	

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>III</b>	<b>REENA AGRAWAL</b>					
1	At the beginning of the year	181500	0.93	181500	0.93	
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	04.03.2016	transfer	100000	0.51	281500	1.44
	At the End of the year ( or on the date of separation, if separated during the year)					
3	At the End of the year	281500	1.44	281500	1.44	

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>IV</b>	<b>DINESH AGRAWAL</b>					
1	At the beginning of the year	1078000	5.50	1078000	5.50	
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	11.12.2015	transfer	(808000)	(4.12)	270000	1.38
3.	At the End of the year	270000	1.38	270000	1.38	

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
V	<b>KUMAR AGRAWAL</b>					
1	At the beginning of the year	0	0	0	0	
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	11.12.2015	transfer	250000	1.28	250000	1.28
3.	At the End of the year	250000	1.28	250000	1.28	

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
VI	<b>NARAYAN PRASAD AGRAWAL</b>					
1	At the beginning of the year	265782	1.36	265782	1.36	
B	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	04.03.2016	transfer	(250000)	(1.28)	15782	0.08
C	At the End of the year	15782	0.08	15782	0.08	

SI. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
VII	<b>HANUMAN PRASAD AGRAWAL</b>					
1	At the beginning of the year	105000	0.54	105000	0.54	
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	04.03.2016	transfer	(100000)	(0.51)	5000	0.02
3.	At the End of the year	5000	0.02	5000	0.02	

SI. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
VIII	<b>SIDDHARTH AGRAWAL</b>					
1	At the beginning of the year	1000	0.00	1000	0.00	
B	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	11.09.2016	transfer	(165)	(0.00)	835	0.00
3.	At the End of the year	835	0.00	835	0.00	

SI. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
IX	<b>GODAWARI POWER AND ISPAT LIMITED</b>					
1	At the beginning of the year	10041000	51.26	10041000	51.26	
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	31.03.2016	transfer	(550000)	(2.81)	9491000	48.45
3.	At the End of the year	9491000	48.45	9491000	48.45	

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>X</b>	<b>VINAY BUIDCON PRIVATE LIMITED</b>					
1	At the beginning of the year	0	0	0	0	
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	31.03.2016	transfer	550000	2.81	550000	2.81
3.	At the End of the year		550000	2.81	550000	2.81

**C. Change in Top Ten Shareholding (please specify, if there is no change)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>1</b>	<b>Sanjiv Agrawal</b>					
A	At the beginning of the year					
	As on 01.04.2015		75000	0.38	75000	0.38
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	25.09.2015	transfer	75000	0.38	150000	0.76
	30.09.2015	transfer	(75000)	(0.38)	75000	0.38
C	As on 31.03.2016		75000	0.38	75000	0.38

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>2</b>	<b>VINOD K NAYAR</b>					
A	At the beginning of the year					
	As on 01.04.2015		73509	0.38	73509	0.38
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	25.09.2015	Transfer	73509	0.38	147018	0.76
	30.09.2015	Transfer	(73509)	(0.38)	73509	0.38
C.	At the End of the year ( or on the date of separation, if separated during the year)					
	As on 31.03.2016		73509	0.38	73509	0.38

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
<b>3</b>	<b>DALAL STREET FINANCE COMPANY LIMITED</b>					
A	At the beginning of the year					
	As on 01.04.2015		60000	0.31	60000	0.31
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	NA	NA	NIL	NIL	NIL	NIL
C	As on 31.03.2016		60000	0.31	60000	0.31

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	<b>KALPVRIKSH CAPITAL ADVISORS PRIVATE LIMITED</b>				
A	At the beginning of the year				
	As on 01.04.2015	25526	0.13	25526	0.13
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2016	25526	0.13	25526	0.13

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	<b>MANIBEN UGRABHAI PATEL</b>				
A	At the beginning of the year				
	As on 01.04.2015	19880	0.10	19880	0.10
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	Transfer	19880	0.10	39760
	30.09.2015	Transfer	(19880)	(0.10)	19880
C	As on 31.03.2016	19880	0.10	19880	0.10

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	<b>BIMLA DEVI RATHI</b>				
A	At the beginning of the year				
	As on 01.04.2015	19755	0.10	19755	0.10
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	Transfer	19755	0.10	39510
	30.09.2015	Transfer	(19755)	(0.10)	19755
C	As on 31.03.2016	19755	0.10	19755	0.10

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	<b>SMITA JAGANNATH CHAKRAVARTI</b>				
A	At the beginning of the year				
	As on 01.04.2015	12500	0.06	12500	0.06
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2016	12500	0.06	12500	0.06

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
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<b>8</b>	<b>JATIN VIRENDRA DOSHI VIRENDRA</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
A	At the beginning of the year				
	As on 01.04.2015	10000	0.05	10000	0.05
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	Transfer	10000	0.05	20000
	30.09.2015	Transfer	(10000)	(0.05)	10000
C	As on 31.03.2016	10000	0.05	10000	0.05

<b>Sl. No</b>	<b>For Each of the Top 10 Shareholders</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
<b>9</b>	<b>NEELA GOPALKRISHAN</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
A	At the beginning of the year				
	As on 01.04.2015	8000	0.04	8000	0.04
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	Transfer	8000	0.04	16000
	30.09.2015	transfer	(8000)	(0.04)	8000
C	As on 31.03.2016	8000	0.04	8000	0.04

<b>Sl. No</b>	<b>For Each of the Top 10 Shareholders</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
<b>10</b>	<b>INDRANI BANERJEE</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
A	At the beginning of the year				
	As on 01.04.2015	7500	0.03	7500	0.03
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	N.A	N.A	N.A	N.A	N.A
C	As on 31.03.2016	7500	0.03	7500	0.03

<b>Sl. No</b>	<b>For Each of the Top 10 Shareholders</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
<b>11</b>	<b>PROPIN PRIVATE LIMITED</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
A	At the beginning of the year				
	As on 01.04.2015	7500	0.03	7500	0.03
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	N.A	N.A	N.A	N.A	N.A
C	As on 31.03.2016	7500	0.03	7500	0.03

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	<b>ARKOSHA TRADING &amp; INVESTMENTS PRIVATE LTD.</b>				
A	At the beginning of the year				
	As on 01.04.2015	20250	0.10	20250	0.10
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	29.05.2015   transfer	(20250)	(0.10)	0	0
C	As on 31.03.2016	0	0	00	0

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	<b>PADMARAJ INVESTMENT TRADING CO. P LTD</b>				
A	At the beginning of the year				
	As on 01.04.2015	15000	0.07	15000	0.07
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	29.05.2015   transfer	(15000)	(0.07)	0	0
C	As on 31.03.2016	0	0	0	0

#### E. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
<b>A</b>	<b>NARAYAN PRASAD AGRAWAL – MANAGING DIRECTOR - KMP</b>				
1	At the beginning of the year	265782	1.36	265782	1.36
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer on 04.03.2016	(250000)	1.28	15782	0.08
3	At the End of the year	15782	0.08	15782	0.08
<b>B.</b>	<b>SHRI YARRA CHANDRA RAO – DIRECTOR</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): transfer 07.09.2015	15	0.00	15	0.00
3	At the End of the year	15	0.00	15	0.00
<b>C</b>	<b>SHRI ARBIND KUMAR DUBEY – WHOLE TIME DIRECTOR- KMP</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	0.00	0.00	0.00	0.00
<b>D</b>	<b>SHRI BISWAJIT CHOUDHURI – INDEPENDENT DIRECTOR</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	0.00	0.00	0.00	0.00
<b>E</b>	<b>SHRI BHRIGU NATH OJHA - INDEPENDENT DIRECTOR</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	0.00	0.00	0.00	0.00
<b>F</b>	<b>SHRI DILIP CHAUHAN - CFO - KMP</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): transfer 07.09.2015	15	0.00	15	0.00
3	At the End of the year	15	0.00	15	0.00
<b>G</b>	<b>SHRI MOHIT CHANDE - CS - KMP</b>				
1	At the beginning of the year	0.00	0.00	0.00	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): transfer 07.09.2015	15	0.00	15	0.00
3	At the End of the year	15	0.00	15	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment - (₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	6296.21	15.85	0.00	6312.06
ii) Interest due but not paid	29.83	1.26	0.00	31.09
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>6326.04</b>	<b>17.11</b>	<b>0.00</b>	<b>6343.15</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition (including interest)	205.55	655.95	0.00	861.50
• Reduction	(2930.10)	0.00	0.00	(2930.10)
<b>Net Change</b>	<b>(2724.55)</b>	<b>655.95</b>	<b>0.00</b>	<b>(2068.60)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3585.55	665.85	0.00	4251.40
ii) Interest due but not paid	15.94	7.21	0.00	23.15
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>3601.49</b>	<b>673.06</b>	<b>0.00</b>	<b>4274.55</b>

## I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

SI No.	Particulars of Remuneration	Narayan Prasad Agrawal (MD)	Arbind Kumar Dubey (WTD)	Manohar Khatri (WTD)	Total Amount (In ₹)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	42.00	16.28	5.46	63.74
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission - as % of profit - others, specify...	NA NA NA	NA NA NA	NA NA NA	NA NA NA
5	Others, please specify Total (A)	42.00	16.28	5.46	63.74
	Ceiling as per the Act	As per schedule V of the Companies Act, 2013			

### B. Remuneration to other directors:

(₹ in Lacs)

SI. no.	Particulars of Remuneration	Biswajit Choudhuri	B.N. Ojha	Yarra Chandra Rao	Total Amount
1	• Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify <b>Total (1)</b>	1.25 NA NIL <b>1.25</b>	0.90 NA NIL <b>0.90</b>	NA NA NA <b>0.00</b>	2.15 NIL NIL <b>2.15</b>
2	• Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify <b>Total (2)</b>	NA NA NIL <b>0.00</b>	NA NA NIL <b>0.00</b>	1.15 NA NA <b>1.15</b>	1.15 NIL NA <b>1.15</b>
	<b>Total (B)=(1+2)</b>	<b>1.25</b>	<b>0.90</b>	<b>1.15</b>	<b>3.30</b>
	<b>Total Managerial Remuneration</b> <b>Overall Ceiling as per the Act</b>	Maximum amount of ₹ 1.00 Lakh for each Director as sitting fee for attending each meeting of the Board or Committee is allowed under the Act.			

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Mohit Chande (CS)	Dilip Chauhan (CFO)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.10	12.40	21.50
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	NA	NA	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	NA	NA	NIL
2	Stock Option	NA	NA	NIL
3	Sweat Equity	NA	NA	NIL
4	Commission – as % of profit	NA	NA	NIL
5	Others, please specify	NA	NA	NIL
	<b>Total</b>	<b>9.10</b>	<b>12.40</b>	<b>21.50</b>

**VI. 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)
<b>A. COMPANY</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

## **Nomination and Remuneration Policy**

### **1. OBJECTIVE**

This Nomination and Remuneration Policy has been framed in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

### **2. DEFINITIONS**

2.1. "Committee" means Nomination and Remuneration Committee.

2.2. "Senior Management Personnel" means Senior Management personnel of the company who are members of its core management team including Functional Heads.

### **3. NOMINATION POLICY**

i. The Committee shall identify persons who possess adequate qualification, expertise and experience for the position he/she is considered for appointment as Director, Key Managerial Personnel (KMP) or at Senior Management level Personnel (SMP) and recommend to the Board his/her appointment.

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

### **4. TERM / TENURE**

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director, Independent Director or Non-executive Director for a term not exceeding period as mentioned in the Companies Act, 2013 or any amendment made from time to time.

### **5. EVALUATION**

The Committee shall review the performance of every Director at regular interval or at least once in a year.

### **6. REMOVAL**

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

### **7. RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

### **8. REMUNERATION POLICY**

The remuneration, compensation, commission, sitting fee, etc. to the Directors, KMP and SMP will be determined by the Committee and recommended to the Board for approval subject to limitations mentioned in the Companies Act, 2013 and the amendments made therein from time to time. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

### **9. AMENDMENTS**

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Committee.

### **10. SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

### **11. DISSEMINATION OF POLICY**

This policy shall be disclosed in the annual report of the Company.

### **12. EFFECTIVE DATE**

This Policy shall come into force on 15.05.2015.

## Independent Auditor's Report

To the Members of  
Hira Ferro Alloys Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Hira Ferro Alloys Limited ("the Company") which comprise the balance sheet as at 31st March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2016;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-B a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - A.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, O P Singhania & Co.**  
(ICAI Firm Regn. No. 002172C)  
Chartered Accountants

**per Sanjay Singhania**  
Partner  
Membership No. 076961  
Raipur, 27th May, 2016

**Annexure A****Re: HIRA FERRO ALLOYS LIMITED****Referred to in paragraph 2(g) of Report on Other Legal and Regulatory Requirements of our report of even date,****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

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

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, O P Singhania & Co.**  
(ICAI Firm Regn. No. 002172C)  
Chartered Accountants

**per Sanjay Singhania**  
Partner  
Membership No. 076961  
Raipur, 27th May, 2016

## Annexure B

### Re: HIRA FERRO ALLOYS LIMITED

#### Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company except the ownership not vested in the company as stated in the notes.
- (ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year, therefore, the provisions of (iii) (a) to (c) of clause 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted and loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of section 73 to 76 of the Act and Rules framed there under to the extent notified; therefore the provisions of clause 3 (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) According to the information & explanations given to us, during the year the company is generally regular in depositing 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 statutory dues with the appropriate authorities. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute other than the followings:

Name of the Statute	Nature of Dues	Amount ₹ in Lacs	Forum where dispute is pending
Central Sales Tax Act, 1956	Demand of Central Sales Tax for the F.Y. 1997-98	2.62	Board of Revenue, Bilaspur
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2002-03	0.62*	Dy. Commissioner, Commercial Taxes Appeals, Raipur
Central Sales Tax Act, 1956	Demand of Central Sales Tax for the F.Y. 1994-95	0.72	Board of Revenue, Bilaspur
Central Sales Tax Act, 1956	Demand of Central Sales Tax for the F.Y. 1995-96	1.64	Board of Revenue, Bilaspur
Central Sales Tax Act, 1956	Demand of Central Sales Tax for the F.Y. 2010-11	4.12	Addl. Commissioner, Commercial Taxes, Raipur
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2007-08	5.14	Board of Revenue, Bilaspur
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2006-07	3.26*	Dy. Commissioner, Commercial Taxes Appeals, Raipur
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2007-08	15.71*	Dy. Commissioner, Commercial Taxes Appeals, Raipur

Name of the Statute	Nature of Dues	Amount ₹ in Lacs	Forum where dispute is pending
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2008-09	14.03*	Dy.Commissioner, Commercial Taxes Appeals, Raipur
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2010-11	6.05*	Dy.Commissioner, Commercial Taxes Appeals, Raipur
Central Excise Act, 1944	Demand raised of CENVAT Credit availed on Capital Goods for the F.Y. 1995-96	5.05	High Court of Chhattisgarh, Bilaspur
Central Excise Act, 1944	Demand of Excise duty on differential value of Related party sale of Silico Manganese chips made to M/s. Godawari Power & Ispat Ltd during the period Dec 2013 to Sept 2014.	3.62*	The Commissioner (Appeal) Central Excise, Custom, & Service Tax, Raipur
Central Excise Act, 1944	Demand of Excise duty on alleged Clandestine removal of Silico Manganese to M/s.Pankaj Ispat Ltd during the period 2010-11	2.60*	The Commissioner (Appeal) Central Excise, Custom, & Service Tax, Raipur
Customs Act, 1962	Demand raised on Import of manganese ore for the period 2010-11 and 2011-12	76.53*	Commissioner (Appeal) Customs House, Port-Vishakhapatnam (A.P)
Chhatisgarh Upkar Adhiniyam 1981	Energy Development Cess	1491.59	Supreme Court

\* Net of amount deposited under protest or otherwise.

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has not issued any debentures.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Accordingly the provisions of clause 3 (ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause 3 (x) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xi) The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3 (xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

**For, O P Singhania & Co.**  
(ICAI Firm Regn. No. 002172C)  
Chartered Accountants

**per Sanjay Singhania**  
Partner  
Membership No. 076961  
Raipur, 27th May, 2016

## Balance Sheet as at 31st March, 2016

Particulars	Notes	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	1,958.85	1,958.85
Reserves and surplus	4	11,704.26	12,194.03
		<b>13,663.11</b>	<b>14,152.88</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	1,192.17	2,118.22
Deferred tax liability (net)	6	291.62	481.51
Long-term provisions	7	102.76	83.14
		<b>1,586.55</b>	<b>2,682.87</b>
<b>Current liabilities</b>			
Short-term borrowings	8	2,140.41	3,302.39
Trade payables	9	2,737.83	1,515.60
Other current liabilities	9	2,746.77	2,217.58
Short-term provisions	7	9.65	152.88
		<b>7,634.65</b>	<b>7,188.44</b>
<b>TOTAL</b>		<b>22,884.31</b>	<b>24,024.20</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	10	10,408.52	11,065.29
Intangible assets	11	13.55	57.00
Capital work-in-progress		4.05	10.12
Non-current investments	12	4,054.25	2,254.25
Long-term loans and advances	13	299.47	247.94
Other non-current assets	14	6.23	80.56
		<b>14,786.08</b>	<b>13,715.16</b>
<b>Current assets</b>			
Current investments	15	21.26	21.26
Inventories	16	3,054.05	3,684.40
Trade receivables	17	1,185.47	1,363.88
Cash & bank balances	18	431.14	282.77
Short-term loans and advances	13	3,359.42	4,925.79
Other current assets	14	46.89	30.93
		<b>8,098.23</b>	<b>10,309.04</b>
<b>TOTAL</b>		<b>22,884.31</b>	<b>24,024.20</b>
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O. P. Singhania & CO.**  
(ICAI Firm Reg. No.002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No.076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Statement of Profit &amp; Loss for the year ended 31st March, 2016

	Notes	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>INCOME</b>			
Revenue from operations (gross)	19	20,189.44	18,956.75
Less: Excise duty		1,581.99	1,494.59
Revenue from operations (net)		18,607.46	17,462.16
Other Income	20	194.42	4,081.47
<b>TOTAL REVENUE (I)</b>		<b>18,801.88</b>	<b>21,543.63</b>
<b>EXPENDITURE</b>			
Cost of raw material and component consumed	21	14,527.81	13,972.25
Purchase of Traded Goods	22	-	249.01
(Increase/decrease in inventories of finished goods)	22	289.72	97.22
Employees benefits expenses	23	828.80	907.70
Other Expenses	24	2,382.96	2,926.32
Depreciation and amortization expenses	25	799.99	962.24
Finance costs	26	640.46	928.01
<b>TOTAL EXPENDITURE (II)</b>		<b>19,469.73</b>	<b>20,042.74</b>
<b>Profit before tax</b>		<b>(667.85)</b>	<b>1,500.89</b>
<b>Tax expenses</b>			
Current tax		-	326.85
Deferred Tax		(189.89)	84.70
MAT Credit Entitlement		-	(76.47)
Wealth Tax		-	0.50
Tax related to earlier year		11.81	(1.35)
<b>Total tax expenses</b>		<b>(178.08)</b>	<b>334.22</b>
<b>Profit for the year from continuing operations</b>		<b>(489.78)</b>	<b>1,166.67</b>
<b>Earnings per equity share [nominal value of share</b>	27		
@ ₹ 10/- (31st March, 2015" ₹ 10]			
<b>Basic</b>		<b>(2.50)</b>	<b>5.96</b>
<b>Diluted</b>		<b>(2.50)</b>	<b>5.96</b>
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O. P. Singhania & CO.**  
(ICAI Firm Reg. No.002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No. 076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Cash Flow Statement for the year ended 31st March, 2016

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Cash Flow from operating activities</b>		
Profit before tax from continuing operations	(667.85)	1,500.89
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	799.99	962.24
Loss/(profit) on sale of fixed assets	(15.16)	(16.66)
Share of Loss/(profit) of LLP	-	0.02
Provision for gratuity	18.49	21.84
Provision for doubtful debts	-	65.67
Net (gain) on sale of investments	-	(3,944.92)
Interest Expenses	572.84	719.47
Interest Income	(148.42)	(66.76)
Dividend Income	(0.01)	(0.01)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>559.88</b>	(758.22)
Movements in working capital :		
Increase/(decrease) in trade payables	1,222.23	(732.97)
Increase/(decrease) in other current liabilities	529.19	(261.20)
Decrease/(increase) in trade receivables	178.41	180.09
Decrease/(increase) in inventories	630.36	1,898.41
Decrease/(increase) in long-term loans and advances	(51.54)	55.53
Decrease/(increase) in short-term loans and advances	1,566.37	(1,022.33)
Decrease/(increase) in other current assets	(15.95)	(6.50)
Decrease/(increase) in other non-current assets	20.70	(4.27)
Cash generated from/(used in ) operations	4,639.64	(651.46)
Direct taxes paid	(12.31)	(501.59)
<b>Net Cash flow from/(used in) operating activities</b>	<b>4,627.33</b>	(1,153.04)
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including intangible assets and CWIP	(133.82)	(323.96)
Purchase of Redeemable Preference Share	(1,800.00)	(1,550.00)
Proceeds from sale of fixed assets	55.29	28.62
Proceeds from sale of current investments	-	4,502.85
Investments in bank deposits (having original maturity of more than three months)	(54.68)	84.20
Interest received	148.42	66.76
Dividends received	0.01	0.01
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,784.78)</b>	2,808.47

	<b>2016</b> <b>(₹ in lacs)</b>	2015 (₹ in lacs)
<b>Cash flows from financing activities</b>		
Proceeds / (Repayment) from long-term borrowings	<b>(926.05)</b>	(1,030.49)
Proceeds / (Repayment) from short-term borrowings	<b>(1,161.98)</b>	97.31
Interest paid	<b>(572.84)</b>	(719.47)
Dividends paid on equity shares	<b>(117.53)</b>	(117.53)
Tax on equity dividend paid	<b>(24.07)</b>	(19.97)
<b>Net cash flow from/(used in) financing activities</b>	<b>(2,802.47)</b>	(1,790.15)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	<b>40.07</b>	(134.73)
Cash and Cash Equivalents at the beginning of the year	<b>45.14</b>	179.87
<b>Cash and Cash Equivalents at the end of the year</b>	<b>85.22</b>	45.14
<b>Components of cash and cash equivalents</b>		
Cash in hand	<b>4.35</b>	12.41
With banks - on current account	<b>74.82</b>	26.32
- on unpaid dividend account*	<b>6.05</b>	6.41
	<b>85.22</b>	45.14

**Notes :**

1.\*The company can utilize these balances only toward settlement of the respective unpaid dividend.

As per our report of even date

**For O. P. Singhania & CO.**  
(ICAI Firm Reg. No.002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**

Partner  
Membership No.076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Notes to financial statements for the year ended 31st March, 2016

### 1. Corporate information

Hira Ferro Alloys Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. Its shares was listed on two stock exchanges in India and has been delisted from the stock exchange w.e.f. 11.08.2014. The company is mainly engaged in manufacturing of Ferro Alloys Products, Generation of Electricity and Fly Ash Bricks.

### 2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

#### 2.1 Summary of significant accounting policies

##### a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

##### b) Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight, installation and other direct or allocated expenses upto the date of commencement of commercial production and are net of CENVAT credit.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The various expenditure incurred during the construction stage and upto the date of commencement of commercial production for setting-up the relevant project-assets are grouped under the head "Pre-operative Expenditure" and allocated to related fixed assets on pro-rata basis upon completion of project and put to use.

##### c) Depreciation on tangible fixed assets

- i) Depreciation is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in Schedule II of the Companies Act, 2013.
- ii) Depreciation on tangible fixed assets added/disposed off during the year is provided on pro-rata basis.
- iii) Tangible fixed Assets costing below ₹ 5000/- are fully depreciated in the year of acquisition itself.
- iv) The cost of tangible fixed assets, constructed by the company, but ownership of which belongs to Government/ Local Authorities, is depreciated at the rate of depreciation specified in Schedule II of the Companies Act, 2013.
- v) Free-hold land, leasehold land and site & land development cost are not depreciated/amortized.

##### d) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the company’s intangible assets is as follows:

	<b>Rates (SLM)</b>
Goodwill	20%
Computer Software	10%

**e) Investments :**

- i) Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such is other than temporary, in the opinion of the management.
- ii) Current Investments are stated at lower of cost/quoted fair value, computed categorywise.

**f) Inventories :**

- i) Inventories are valued at lower of cost and net realizable value, after providing for obsolesces, if any.
- ii) Cost of Raw Materials and stores & spares are computed on FIFO basis and cost of Finished Goods & Goods in Process are computed on Weighted average basis.
- iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) Proceeds in respect of sales/disposal of raw materials is credited to the raw material purchases.
- v) By Products are valued at net realisable value.

**g) Excise Duty**

- i) The Excise Duty in respect of closing inventory of finished goods is provided in books of account and included as part of inventory.
- ii) CENVAT Credit relating to raw materials/components are debited under current assets for availing credit against CENVAT and credited to respective materials/component account.

**h) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- i) **Sale of Products**  
Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arised during the year.
- ii) **Interest**  
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iii) **Dividend**  
Dividend income is recognised when the company’s right to receive payment is established by the reporting date.

**i) Borrowing Cost**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**j) Contingent Liabilities**

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

**k) Taxes on Income**

Current Taxes are accounted based on provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence, in timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Except assets on which not recognised for those timing differences which reverse in Tax holiday period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that 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 company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**l) Foreign Currency Transactions**

- i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominating in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.
- iii) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet, except in cases where these borrowings are covered by forward exchange contracts. Any increase or reduction in these liabilities are booked to revenue.
- iv) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract.

**m) Retirement and other Employee Benefits**

- i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.
- iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

**n) Provisions**

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**o) Impairment of Tangible and Intangible Assets**

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss.. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

**p) Cash and Cash equivalents**

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**q) Segment Reporting Policies**

Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers :

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items :

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

**r) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>3. Share capital</b>		
Authorised		
20000000 equity shares of ₹ 10/- each	2,000.00	2,000.00
	<u>2,000.00</u>	<u>2,000.00</u>
Issued		
19900000 Equity Shares of ₹ 10/- each	1,999.00	999.50
	<u>1,999.00</u>	<u>999.50</u>
Subscribed and fully paid-up shares		
19588500 equity shares of ₹ 10/- each fully paid-up	1,958.85	1,958.85
	<u>1,958.85</u>	<u>1,958.85</u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	2016		2015	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	195.885	1,958.85	195.885	1,958.85
Issue during the period	-	-	-	-
Outstanding at the end of the period	195.885	1,958.85	195.885	1,958.85

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2016, there is no provision for dividend made by the company for equity shareholders (Previous year ₹ 0.60 per share)

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c.** 10041000 Equity Shares of the company have been held by M/s Godawari Power & Ispat Limited, the holding company till 30.03.2016. On 31.03.2016, 550000 Equity Shares sold by the holding company which has been transferred from demat on subsequent dates.

**d.** During the year ended 31st March, 2012, the company had issued 1,56,70,800 bonus shares in the ratio of 4 : 1 by capitalising of Securities Premium Reserve Account for consideration other than cash.

**e. Details of shareholders holding more than 5% shares in the company:**

	2016		2015	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10 each fully paid				
M/s Godawari Power & Ispat Limited	9491000*	48.45	1,00,41,000	51.26
Mr. Dinesh Agrawal	2,70,000	1.38	10,78,000	5.50
M/s Hira Infra-tek Limited	44,54,621	22.74	43,74,533	22.33
	<u>47,24,621</u>	<u>72.57</u>	<u>1,54,93,533</u>	<u>79.10</u>

\* 550000 shares subsequently transfer after 31.03.2016.

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>4. Reserves and Surplus</b>		
<b>Capital Reserve</b>		
Balance as per last financial statements	20.00	20.00
	<u>20.00</u>	<u>20.00</u>
<b>Securities Premium Reserve</b>		
Balance as per last financial statements	10.42	10.42
	<u>10.42</u>	<u>10.42</u>
<b>General Reserve</b>		
Balance as per last financial statements	1,248.01	1,098.01
Add: Amount transferred from surplus balance in the statement of profit and loss	-	150.00
	<u>1,248.01</u>	<u>1,248.01</u>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	10,915.60	10,040.53
Profit for the year	(489.78)	1,166.67
<b>Less : Appropriations</b>		
Proposed final equity dividend (Amount per share Nil (31 March 2015: ₹ 0.60)	-	117.53
Tax on proposed equity dividend	-	24.07
Transfer to general reserve	-	150.00
Total appropriations	<u>-</u>	<u>291.60</u>
<b>Net surplus in the statement of profit and loss</b>	<u>10,425.82</u>	<u>10,915.60</u>
<b>Total reserves and surplus</b>	<u>11,704.26</u>	<u>12,194.03</u>

**5. Long-term borrowings**

	Non-current portion		Current maturities	
	2016 (₹ in lacs)	2015 (₹ in lacs)	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Term Loans</b>				
Indian rupee loan from banks (secured) including FCNRB facility	1,192.17	2,118.22	941.98	922.55
<b>Other loans and advances</b>				
From financial institutions (secured)	-	-	-	0.60
	<u>1,192.17</u>	<u>2,118.22</u>	<u>941.98</u>	<u>923.15</u>
<b>The above amount includes</b>				
Secured borrowings	1,192.17	2,118.22	941.98	923.15
Amount disclosed under the head "other current liabilities" (note 9)			(941.98)	(923.15)
Net amount	<u>1,192.17</u>	<u>2,118.22</u>	<u>-</u>	<u>-</u>

- a) The term loans (both rupee and foreign currency) aggregating to ₹ 2134.15 lacs (Previous year ₹ 3040.77 lacs) (including current maturities of ₹ 941.98 lacs (Previous year ₹ 922.55 lacs) classified as 'Current Liabilities in No 9) are secured by first pari-passu charge on entire fixed assets of the company including wind mill and hypothecation of plant & machineries, equipments, furniture and fixtures, structures, other movable assets present and future and also charge over mortgage of land alongwith building etc. The Term Loans are further secured by second pari-passu by way of hypothecation of entire

Current Assets consisting of Raw Materials, Finished Goods, Stores & Spares etc and Book Debts of the company (present and future) and also secured by Personal Guarantee of Promoters / Directors.

- b) Other Loans and advances from banks aggregating ₹ Nil lacs (P.Y. ₹ 0.60 lacs) (including current maturities of ₹ Nil lacs (P.Y. ₹ 0.60 lacs) classified as 'Current Liabilities' in Note 9) are secured by hypothecation of vehicles.

	Maturity Profile (₹ in Lacs)				
	0-1 years	1-2 years	2-3 years	3-4 years	Beyond 4 years
Rupee Term Loans including FCNRB	941.98	842.71	349.46	-	-

<b>6. Deferred Tax Liability (Net)</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Deferred Tax Liabilities</b>		
Fixed Assets: Impact of differences between tax depreciation and depreciation / amortization charged for the financial reportings	<b>472.74</b>	541.02
<b>Gross deferred tax liability</b>	<b>472.74</b>	541.02
<b>Deferred Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	<b>61.27</b>	59.51
On account of unabsorbed depreciation	<b>119.85</b>	- .00
<b>Gross deferred tax asset</b>	<b>181.12</b>	59.51
<b>Net deferred tax liability</b>	<b>291.62</b>	481.51

<b>7. Provisions</b>	<b>Long-term</b>		<b>Short-term</b>	
	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Provision for employee benefits</b>				
Provision for gratuity (note. 29)	<b>102.76</b>	83.14	<b>9.65</b>	10.78
	<b>102.76</b>	83.14	<b>9.65</b>	10.78
<b>Other Provisions</b>				
Provision for Wealth Tax	-	-	-	0.50
Proposed equity dividend	-	-	-	117.53
Provision for tax on proposed equity dividend	-	-	-	24.07
	-	-	-	142.10
	<b>102.76</b>	83.14	<b>9.65</b>	152.88

<b>8. Short-term borrowings</b>	<b>2016 (₹ in lacs)</b>	2015 (₹ in lacs)
<b>Cash Credit from banks (secured)</b>	<b>1,450.48</b>	2,692.00
Bank Overdraft Facility	<b>16.86</b>	15.28
Buyers Credit facility in Foreign Currency (secured)	<b>-</b>	578.00
Loan and advances from related parties repayable on demand (unsecured)	<b>18.50</b>	17.11
Loan and advances from others repayable on demand (unsecured)	<b>654.57</b>	-
	<b>2,140.41</b>	3,302.39
<b>The above amount includes</b>		
Secured borrowings	<b>1,467.34</b>	3,285.28
Unsecured borrowings	<b>673.07</b>	17.11

Cash credit from banks is secured against margin money deposits, investment property, intangible assets except goodwill and second charge on all trade receivables. The cash credit is repayable on demand.

Buyers credit facilities in foreign currency o/s ₹ Nil lacs (P.Y. ₹ 578.00 Lacs) are repayable after 180 days of its origination. The loan is secured against margin money deposits, investment property, intangible assets except goodwill and second charge on all trade receivables.

Bank overdraft facility is secured against pledge of fixed deposit receipts with bank.

<b>9. Other Current Liabilities</b>	<b>2016 (₹ in lacs)</b>	2015 (₹ in lacs)
Trade payables (including acceptances (refer note 32 for details of dues for micro and small enterprises))	<b>2,737.83</b>	1,515.60
<b>Other liabilities</b>		
Current maturities of long-term borrowings (note. 5)	<b>941.98</b>	923.15
Advance from customers	<b>464.18</b>	41.14
Unpaid dividend	<b>6.05</b>	6.41
Provision for Renewal Purchase Obligation (REC)	<b>581.31</b>	455.19
Other payables	<b>753.25</b>	791.68
	<b>2,746.77</b>	2,217.58
	<b>5,484.60</b>	3,733.18

### 10. Tangible assets

Cost or valuation	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Borewell & Water System	Plant & Machinery	Electrical Installation	Lab Equipment	Air Conditioner	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Pay Loader	Weigh Bridge	Total
At 1 April 2014	428.34	71.75	209.78	1,577.60	29.70	11,644.91	1,986.67	6.64	18.62	59.43	93.97	102.71	218.67	247.55	17.37	16,713.71
Additions	42.63	-	-	133.98	14.99	43.52	13.16	-	14.14	1.11	1.80	39.74	-	54.10	-	359.17
Disposals	0.35	-	-	-	-	-	-	-	-	-	-	-	31.64	-	-	31.99
At 31 March, 2015	470.61	71.75	209.78	1,711.58	44.70	11,688.43	1,999.83	6.64	32.76	60.53	95.77	142.45	187.03	301.65	17.37	17,040.89
Additions	-	-	-	11.58	9.71	84.76	19.83	-	-	8.20	-	-	2.50	-	-	136.58
Disposals	20.54	-	-	-	-	-	23.76	-	-	-	-	-	13.59	-	-	57.90
At 31st March 2016	450.07	71.75	209.78	1,723.16	54.40	11,773.19	1,995.91	6.64	32.76	60.53	103.97	142.45	175.94	301.65	17.37	17,119.57
<b>Depreciation</b>																
At 1 April 2014	-	-	-	324.78	8.88	3,661.66	728.52	1.31	7.58	17.55	69.52	39.46	137.21	79.77	3.67	5,079.91
Charge for the year	-	-	-	48.80	20.31	321.64	321.32	0.66	10.77	24.45	12.90	13.33	29.51	111.47	0.56	915.73
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	20.03	-	-	20.03
At 31 March, 2015	-	-	-	373.57	29.20	3,983.30	1,049.84	1.97	18.34	42.00	82.42	52.79	146.68	191.24	4.23	5,975.60
Charge for the year	-	-	-	53.00	4.33	323.91	298.25	0.68	3.23	8.60	7.38	16.63	10.61	26.06	0.56	753.23
Disposals	-	-	-	-	-	-	8.82	-	-	-	-	-	8.95	-	-	17.77
At 31st March 2016	-	-	-	426.58	33.53	4,307.22	1,339.26	2.65	21.57	50.60	89.80	69.42	148.35	217.30	4.79	6,711.06
<b>Net Block</b>																
At 31st March, 2015	470.61	71.75	209.78	1,338.00	15.50	7,705.13	950.00	4.67	14.42	18.53	13.35	89.66	40.35	110.41	13.14	11,065.29
At 31st March 2016	450.07	71.75	209.78	1,296.58	20.88	7,465.97	656.64	3.99	11.19	9.93	14.17	73.03	27.59	84.36	12.57	10,408.52

Note:

Plant & Machinery includes Gross Block of ₹ 535.36 lacs (P.Y. ₹ 535.36 lacs) with Net Block of ₹ 376.83 lacs (P.Y. ₹ 387.69 lacs) and Freehold land of ₹ 22.33 lacs, in respect of expenditure incurred on capital assets, ownership of which does not vest in the Company.

### 11. Intangible assets

	Goodwill	Computer software	Total
<b>Gross Block</b>			
At 1 April, 2014	216.83	31.43	248.26
Purchase	-	-	-
At 31 March, 2015	216.83	31.43	248.26
Purchase	-	3.32	3.32
At 31st March, 2016	216.83	34.75	251.58
Amortization			
At 1 April 2014	130.10	14.66	144.76
Charge for the year	43.37	3.14	46.51
At 31 March, 2015	173.46	17.80	191.27
Charge for the year	43.37	3.40	46.76
At 31st March, 2016	216.83	21.20	238.03
Net Block			
At 31 March, 2015	43.37	13.63	57.00
At 31st March, 2016	-	13.55	13.55

<b>12. Non-current investments</b>	<b>2016</b>		<b>2015</b>	
	<b>(₹ in lacs)</b>		<b>(₹ in lacs)</b>	
<b>Trade Investments (valued at cost)</b>				
<b>Unquoted equity instruments, fully Paid up</b>				
80100 (80100) Equity Shares of ₹ 10/- each in Hira Cement Ltd.	<b>16.01</b>		16.01	
1330000 (1330000) Equity Shares of ₹ 10/- each in Earth Minerals Co Ltd	<b>266.28</b>		266.28	
10000 (10000) Equity Shares of ₹ 10/- each in Hira Energy Ltd	<b>1.00</b>		1.00	
510 (510) Equity Shares of ₹ 10/- each in Vimla infrastructure (I) P. Ltd.	<b>0.51</b>		0.51	
397000 (397000) Equity Shares of ₹ 10/- each in Alok Ferro Alloys Ltd	<b>417.74</b>		417.74	
15500000 (0) Non Convertible non cummulative 0.01% Redeemable Preference Share of ₹ 10/- each in Maruti Clean Coal & Power Ltd	<b>1,550.00</b>		1,550.00	
1800000 (0) Optionally Convertible Cummulative Preference Share of ₹ 100/- each in Godawari Green Energy Limited	<b>1,800.00</b>		-	
<b>Investment in associates</b>				
2004 (2004) Equity Shares of ₹ 100/- each in Active Chemical Pvt. Ltd.	<b>2.72</b>		2.72	
	<b>4,054.25</b>		2,254.25	
<b>13. Loans and advances (unsecured, considered good)</b>	<b>Non-current</b>		<b>Current</b>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>
Security deposit	<b>299.47</b>	247.94	<b>41.59</b>	19.50
Advances recoverable in cash or in kind			<b>526.86</b>	1,477.56
Other loans and advances				
MAT Credit Entitlement			<b>1,362.94</b>	1,375.20
TDS Receivable			<b>165.15</b>	152.56
Inter Corporate Deposit			-	1,570.00
Loan to Body Corporates & Others			<b>1,059.84</b>	16.84
Prepaid expenses			<b>22.60</b>	<b>18.47</b>
Balance with statutory/govt. authorities			<b>180.45</b>	295.68
<b>Total</b>	<b>299.47</b>	247.94	<b>3,359.42</b>	4,925.79
<b>14. Other assets</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
Margin money deposit :				
Non-current bank balances (note-18)	<b>6.20</b>	59.82		
<b>Others</b>				
Interest accrued on fixed deposits	<b>0.03</b>	20.73	<b>39.80</b>	28.51
others			<b>7.09</b>	2.43
	<b>6.23</b>	80.56	<b>46.89</b>	30.93

<b>15 Current investments (valued at lower of cost and fair value, unless stated otherwise)</b>	<b>2016</b>		<b>2015</b>	
	<b>(₹ in lacs)</b>		<b>(₹ in lacs)</b>	
<b>Non-trade investments</b>				
Investment in equity instruments (Quoted)				
264 (264) Equity Shares of ₹ 10/- each in Capital First Ltd.	<b>2.02</b>		2.02	
172893 (172893) Equity Shares of ₹ 10/- each in Sunflag Iron & Steel Co. Ltd	<b>19.24</b>		19.24	
	<b>21.26</b>		21.26	
Agreerate Amount of quoted investments	<b>21.26</b>		21.26	
Agreerate Market Value of quoted investments	<b>35.63</b>		41.69	
<b>16 Inventories (valued at lower of cost and net realizable value)</b>				
Raw Materials and components (Refer Note-21)	<b>2,373.33</b>		2,698.85	
Finished goods (Refer Note-22)	<b>180.21</b>		469.97	
By Product (Refer Note-22)	<b>0.06</b>		0.02	
Stores & spares	<b>500.44</b>		515.56	
	<b>3,054.05</b>		3,684.40	
<b>17 Trade receivables</b>			<b>Current</b>	
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered good	<b>69.16</b>		37.52	
Doubtful	<b>64.65</b>		65.67	
	<b>133.81</b>		103.19	
Provision for doubtful receivables	<b>64.65</b>		65.67	
<b>Total (A)</b>	<b>69.16</b>		37.52	
Other receivables				
Considered good*	<b>1,116.32</b>		1,326.36	
<b>Total (B)</b>	<b>1,116.32</b>		1,326.36	
<b>Total</b>	<b>1,185.47</b>		1,363.88	
* Other receivable includes due from holding company of ₹ NIL (P.Y. ₹ 10.22/- lacs)				
<b>18. Cash and bank balances</b>	<b>Non-current</b>		<b>Current</b>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>
<b>Cash and cash equivalents</b>				
Cash in hand			<b>4.35</b>	12.41
<b>Balances with banks:</b>				
On current accounts			<b>74.82</b>	26.32
On unpaid dividend account *			<b>6.05</b>	6.41
			<b>85.22</b>	45.14
<b>Other bank balances</b>				
<b>Margin money deposit :</b>				
Deposits with original maturity for more than 12 months	<b>6.20</b>	59.82	<b>80.62</b>	-
Deposits with original maturity for more than 3 months but less than 12 months	<b>-</b>	-	<b>265.30</b>	237.62
	<b>6.20</b>	59.82	<b>345.92</b>	237.62
Amount disclosed under non-current assets (note-14)	<b>6.20</b>	59.82	<b>-</b>	-
	<b>-</b>	-	<b>431.14</b>	282.77

**Margin money deposits given as security**

Margin money deposits with a carrying amount of ₹ 352.12 lacs (31st March 2015: ₹ 297.44 lacs) are pledged with various banks for availing LC, BG,OD facilities and pledged with other Govt. Departments.

\* Balance held by the company which are not available for use by it.

<b>19. Revenue from operations</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Manufacturing Goods and By-Products	<b>16,383.39</b>	15,784.97
Electricity	<b>3,791.03</b>	2,887.55
Traded Goods	-	274.22
<b>Other operating revenue</b>		
Scrap sales	<b>15.02</b>	10.00
<b>Revenue from operations (gross)</b>	<b>20,189.44</b>	18,956.75
Less: Excise duty#	<b>1,581.99</b>	1,494.59
<b>Revenue from operations (net)</b>	<b>18,607.46</b>	17,462.16
# Excise duty on sales amounting to ₹ 1581.98/- lacs (31st March, 2015: ₹ 1494.59/- lacs) has been reduced from sale in profit & loss account and excise duty on increase/(decrease) in stock amounting to (₹ 32.20 lacs) (31st March, 2015: ₹ 10.17 lacs) has been considered as (income)/expense in note 24 of financial statements.		
<b>Details of products sold</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Finished Goods and by-products Sold</b>		
Ferro Alloys		
-Domestic	<b>16,143.11</b>	15,188.26
-Export	<b>239.50</b>	595.91
Electricity	<b>3,791.03</b>	2,887.55
By-Products & Others	<b>0.78</b>	0.80
<b>Traded Goods Sold</b>		
Coal	-	274.22
	<b>20,174.42</b>	18,946.75
<b>20. Other Income</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Interest Income on</b>		
Bank Deposits	<b>19.90</b>	34.37
Others	<b>128.52</b>	32.39
Dividend Income on Current investments	<b>0.01</b>	0.01
Net gain on sale of Investments	-	3,944.92
Net gain/(loss) on sale of fixed assets	<b>15.16</b>	16.66
Income from Duty Draw Back & FPS License	<b>20.84</b>	23.46
Provision for Doubtful Debts Written Back	<b>1.02</b>	-
Other non-operating income	<b>8.97</b>	29.66
	<b>194.42</b>	4,081.47
<b>21. Cost of raw material and components consumed</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Inventory at the beginning of the year	<b>2,698.85</b>	4,538.14
Add: purchases including procurement expenses (Net of Disposal)	<b>14,202.29</b>	12,132.96
	<b>16,901.14</b>	16,648.53
Less : Inventory at the end of the year	<b>2,373.33</b>	2,698.85
Cost of raw material and components consumed	<b>14,527.81</b>	13,972.25
<b>Details of raw material and components consumed</b>		
Managnese Ore	<b>5,050.08</b>	5,675.71
Coal	<b>6,978.45</b>	6,060.73
Carbon Paste	<b>342.47</b>	357.30
HI Mno Slag	<b>635.81</b>	570.57
Rice Husk	<b>1,304.62</b>	939.19
Lancing Pipe	<b>22.34</b>	34.51
Others	<b>194.04</b>	334.25
	<b>14,527.81</b>	13,972.25

Details of Inventory	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Raw Material and Components</b>		
Manganese Ore	1,308.34	1,572.64
Coal	593.29	922.30
Carbon Paste	28.89	29.62
HI Mno Slag	153.11	11.42
Rice Husk	232.88	89.94
Lancing Pipe	1.76	0.91
Others	55.07	72.01
	<b>2,373.33</b>	<b>2,698.85</b>

22. (Increase)/Decrease in Inventories	2016 (₹ in lacs)	2015 (₹ in lacs)	(Increase)/Decrease (₹ in lacs)
<b>Inventories at the end of the year</b>			
Finished goods and by-products	180.27	469.99	289.72
	<u>180.27</u>	<u>469.99</u>	<u>289.72</u>
Finished goods and by-products	469.99	567.21	97.22
	<u>469.99</u>	<u>567.21</u>	<u>97.22</u>
Net (increase)/decrease in inventories	<b>289.72</b>	97.22	

Details of purchase of traded goods	2016 (₹ in lacs)	2015 (₹ in lacs)
Coal	-	249.01
	<u>-</u>	<u>249.01</u>
<b>Finished goods and by-products</b>		
Ferro Alloys	180.18	469.94
Fly Ash Bricks	0.03	0.03
By-Products & Others	0.06	0.02
	<u>180.27</u>	<u>469.99</u>

23. Employee benefit expense	2016 (₹ in lacs)	2015 (₹ in lacs)
Salaries, wages and bonus	732.18	812.99
Contribution to provident and other fund	47.99	53.83
Gratuity Expense (Note 29)	46.81	34.84
Workmen and staff welfare expenses	1.81	6.03
	<u>828.80</u>	<u>907.70</u>

24. Other Expense	2016 (₹ in lacs)	2015 (₹ in lacs)
Consumption of stores and spares	364.67	507.09
Increase/(decrease) of excise duty on inventory	(32.20)	(10.17)
Packing Material Consumed	67.57	56.70
Power & Fuel	788.28	955.54
Water Charges	42.98	65.16
Material Handling & other manufacturing expenses	357.15	383.68
Insurance	19.70	13.41

<b>24. Other Expense</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Repairs and maintenance		
- Plant and machinery	<b>200.76</b>	239.22
- Buildings	<b>24.84</b>	94.15
- Others	<b>26.87</b>	31.38
Rebate, shortage claims & other deductions	<b>2.28</b>	4.98
Commission		
- Other than Sole selling agents	<b>14.62</b>	42.43
Travelling and conveyance	<b>13.90</b>	21.86
Communication expenses	<b>8.00</b>	17.39
Printing and stationery	<b>4.59</b>	4.53
Legal and professional fees	<b>25.97</b>	58.60
Directors' sitting fees	<b>3.30</b>	3.20
Directors' remuneration	<b>58.28</b>	57.84
Payment to Auditor (Refer details below)	<b>6.60</b>	4.40
Security service charges	<b>40.38</b>	43.67
Renewal Purchase Obligation (RPO)	<b>126.12</b>	134.00
Share of Loss on Limited Liability Partnership	-	0.02
Provision for Doubtful Debts	-	65.67
Miscellaneous expenses	<b>218.29</b>	131.59
	<b>2,382.96</b>	2,926.32
<b>Payment to Auditor</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>As auditor :</b>		
Audit fee	<b>6.60</b>	4.15
Tax Audit fee	<b>0.25</b>	0.25
	<b>6.85</b>	4.40
<b>25. Depreciation and amortization expense</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Depreciation on tangible assets	<b>753.23</b>	915.73
Amortization of intangible assets	<b>46.76</b>	46.51
	<b>799.99</b>	962.24
<b>26. Finance Costs</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Interest		
- on term loans	<b>205.55</b>	374.66
- on working capital	<b>218.27</b>	251.58
- on others	<b>13.64</b>	6.95
Exchange difference to the extent considered as an adjustment to borrowing costs	<b>135.38</b>	208.54
Bank charges	<b>67.62</b>	86.28
	<b>640.46</b>	928.01
<b>27. Earnings per share (EPS)</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Net profit/(loss) as per the statement of profit and loss	<b>(489.78)</b>	1,166.67
Net profit/(loss) for calculation of basic EPS & Diluted EPS	<b>(489.78)</b>	1,166.67
Weighted average number of equity shares in calculating Basic EPS	<b>1,95,88,500</b>	1,95,88,500
Weighted average number of equity shares in calculating Diluted EPS	<b>1,95,88,500</b>	1,95,88,500
Basic & Diluted EPS		
- Basic earning per share	<b>(2.50)</b>	5.96
- Diluted earning per share	<b>(2.50)</b>	5.96

## 28. Contingent Liabilities not provided for, are in respect of :-

- I. Central Excise Duty ₹ 11.58 lakhs (Previous Year ₹ 20.41 lakhs)  
CST/VAT/Entry Tax ₹ 68.53 lakhs (Previous Year ₹ 68.53 lakhs)  
Custom Duty ₹ 153.06 lakhs (Previous Year ₹ 153.06 lakhs)  
In respect of above demands the Company has preferred Appeals before higher authorities.
- II. Counter Guarantees given against the bank guarantees issued by the companies banker aggregating to ₹ 1393.60 lacs (P.Y. ₹ 243.06 lacs).
- III. Disputed energy development cess demanded by the Chief Electrical Inspector. Govt of Chhattishgarh ₹ 1491.59 Lacs (P.Y. ₹ 1328.29 Lacs). The Hon'ble High court of Chhattishgarh has held the levy of cess as unconstitutional vide its order dated 20th June 2008. The state government has filed a special leave petition before Hon'ble Supreme Court, which is pending for final disposal.
- IV. During the year, the Income Tax Department has conducted a search operation U/s 132 of the Income Tax Act, 1961. During the course of search the various documents and records have been seized by them and physical verification of stocks was also conducted by independent agencies appointed by them. The company does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.

## 29. Gratuity and other post-employment benefit plans :

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the profit and loss account and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	₹ in Lacs (Gratuity) 2016	₹ in Lacs (Gratuity) 2015
Current Service cost	14.15	13.88
Interest cost on benefit obligation	8.28	6.64
Expected return on plan assets	0.00	0.00
Net actuarial loss/(gain) recognised in the year	24.39	14.32
Past service cost	0.00	0.00
Actual return on plan assets	46.81	20.17
Balance Sheet details of provision for Gratuity		
Defined benefit obligation	112.40	93.92
Fair value of plan assets	0.00	0.00
	112.40	93.92
Less : Unrecognised past service cost	0.00	0.00
Plan liability	112.40	93.92
Changes in the present value of the defined benefit obligation are as follows :		
Defined benefit obligation as at April 1, 2015	93.92	72.08
Interest cost	8.27	6.64
Current Service Cost	14.15	13.88
Benefits paid	(28.33)	(13.00)
Actuarial losses on obligation	24.39	14.32
Defined benefit obligation as at March 31, 2016	112.40	93.92

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

	2016	2015
Discount Rate	8.00%	8.00%
Increase in Compensation cost	5.00%	5.00%
Expected average remaining working lives of employee (years)	20.78	21.19

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans :	₹ in Lacs	
	2016	2015
Provident Fund	39.34	40.94

### 30. Segment-wise Revenue Results :

Basis of preparation :

- Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly Ferro Alloys and Power have been identified as the business segments.
- The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

Information about business Segments-Primary

Particulars	Ferro Alloys Segment		Power		Trading Segment		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>A) REVENUE</b>								
External Sales	14814.36	14302.51	3793.10	2889.54	0.00	270.11	18607.46	17462.16
Inter Segment Sales	0.00	0.00	7511.23	5709.46	0.00	0.00	7511.23	5709.46
Total Segment Revenue	14814.36	14302.51	11304.33	8599.00	0.00	270.11	26118.69	23171.62
Less: Eliminations	0.00	0.00	7511.23	5709.46	0.00	0.00	7511.23	5709.46
Net Revenue	14814.36	14302.51	3793.10	2889.54	0.00	270.11	18607.46	17462.16
							₹ Lacs	
							2016	2015
<b>B) RESULTS</b>								
<b>Segment Operational Profit</b>								
Ferro Alloys Segment							(2854.63)	(2573.02)
Power							2791.36	833.46
Trading							0.00	9.30
Total Segment Result							(63.27)	(1730.26)
Un-allocable Income							97.47	4011.68
Interest Expenses							(640.46)	(719.47)
Un-allocable Expenses							(61.58)	(61.06)
Net Tax Expense							178.08	(334.22)
Net Profit							(489.78)	1166.67

Particulars	Ferro Alloys Segment		Power		Trading Segment		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>C) OTHER INFORMATION</b>								
<b>Segment Assets</b>								
Ferro Alloys Segment							8428.67	10328.01
Power							10082.27	11150.60
Trading							0.00	2.03
<b>Total Segment Assets</b>							18510.94	21480.64
Un-allocable Assets							4373.37	2543.55
<b>Total Assets</b>							22884.31	24024.20
<b>Segment Liabilities and Provisions</b>								
Ferro Alloys Segment							6973.79	8788.60
Power							2241.37	926.87
Trading							0.00	7.32
<b>Total Liabilities and Provisions</b>							9215.16	9722.80
Un-allocable Liabilities and Provisions							6.05	148.51
<b>Total Liabilities and Provisions</b>							9221.20	9871.31
Capital Expenditure							133.82	323.96
Depreciation /Amortisation							799.99	962.24

### 31. RELATED PARTY DISCLOSURE AS PER AS-18

#### a) Related parties and their relationship :

##### a) Holding Company

- Godawari Power & Ispat Ltd. till 30.03.2016

##### b) Related Enterprises where control exist

- Active Chemical Pvt. Ltd.

##### c) Key Management Personnel

- Mr. N. P. Agrawal, Managing Director

- Mr. Arvind Dubey, Director

- Mr. Dilip Chauhan, CFO

- Mr. Mohit Chande, CS

#### Transaction with related parties in the ordinary course of business

(₹ in lacs)

Nature of Transactions	2016	2015
<b>a) Holding Company</b>		
1. Purchase of Materials and Others	382.66	469.02
2. Sale of Goods	1,174.34	1,217.20
3. Investment in Fully Cumulative Convertible Preference Share	1,800.00	-
4. Balance receivable	-	102.16
5. Balance payable	177.63	-

Nature of Transactions	Related Enterprises where control exist		Key Managerial Personnel		Total	
	2016	2015	2016	2015	2016	2015
1. Directors Remuneration and Salary	-	-	79.79	79.54	79.79	79.54
2. Loans & Advances received during the year	-	15.85	-	220.00	-	235.85
3. Loans & Advances Taken repaid during the year	-	-	-	220.00	-	220.00
4. Interest Paid on Loans Taken	1.54	1.40	-	-	1.54	1.40
5. Balance Outstanding Loan Payable	18.50	17.11	-	-	18.50	17.11

b) Details of Material Transaction with related parties		2016	2015
<b>Remuneration Paid</b>			-
Mr. N. P. Agrawal		42.00	42.00
Mr. Arvind Dubey		16.28	15.84
Mr. Dilip Chauhan		12.40	12.23
Mr. Mohit Chande		9.10	9.47
<b>Loans &amp; Advances Received during the year:</b>			
Shri N. P. Agrawal		-	220.00
Active Chemical Pvt. Ltd.		-	15.85
<b>Loans &amp; Advances Taken Repaid during the year:</b>			
Shri N. P. Agrawal		-	220.00
<b>Interest Paid on Loans Taken</b>			
Active Chemical Pvt. Ltd.		1.54	1.40
<b>Balance of Loans Payable</b>			
Active Chemical Pvt. Ltd.		18.50	17.11

32. The Company has identified the amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2016.

(₹ in lacs)

	2016	2015
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2016		
Principal Amount	0.00	0.00
Interest	0.00	0.00
ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31st March, 2016	0.00	0.00
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	0.00	0.00
iv) The amount of interest accrued and remaining unpaid for the year ending 31st March, 2016	0.00	0.00
v) The amount of further interest remaining due and payable for the earlier years.	0.00	0.00

Note : The information has been given in respect of such suppliers to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

33. Foreign Currency Exposure that are not hedged by derivative instruments or forward contracts as on 31.03.2016 amounts to ₹ 361.72 Lacs (PY. ₹ 439.58 lacs)
34. In the opinion of the board, the value of realisation of long term loans and advances, other non current assets and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

### 35. Value of import calculation on CIF Basis

	(₹ in lacs)	
	2016	2015
Raw Materials		
- Managanese Ore	525.79	1,806.86
- Coal	136.73	556.74
	<u>662.52</u>	<u>2,363.60</u>

	(₹ in lacs)	
	2016	2015
<b>36. Expenditure in foreign currency</b>		
-Financial Charges	81.51	67.62
-Raw Material Handling Charges	-	33.45
	<u>81.51</u>	<u>101.06</u>

<b>37. Earnings in foreign currency</b>		
Exports at FOB Value	239.50	595.90
	<u>239.50</u>	<u>595.90</u>

### 38. Imported and Indigenous raw material & spare parts consumed

	2016		2015	
	% of Total Consumption	(₹ in lacs)	% of Total Consumption	(₹ in lacs)
<b>Raw Materials</b>				
-Imported	6.91	1,003.56	10.53	1,471.11
-Indigenous	93.09	13,524.24	89.47	12,501.15
	<u>100.00</u>	<u>14,527.81</u>	<u>100.00</u>	<u>13,972.25</u>
<b>Stores &amp; Spares</b>				
-Imported	-	-	-	-
-Indigenous	100.00	364.67	100.00	507.09
	<u>100.00</u>	<u>364.67</u>	<u>100.00</u>	<u>507.09</u>

39. Previous year figures are regrouped / rearranged wherever necessary.

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O. P. Singhania & CO.**  
(ICAI Firm Reg. No. 002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No. 076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Consolidated Financial Statement

### Independent Auditor's Report

#### To the Members of Hira Ferro Alloys Limited Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Hira Ferro Alloys Limited (hereinafter referred to as "the Parent Company") and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position and consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Parent Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (i) of the consolidated state of affairs of the Parent, its associate as at 31st March, 2016; and
- (ii) their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report 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 financial statements;
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2016 taken on record by the Board of

Directors of the Parent Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the parent company, its associate company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - A.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements has the impact of pending litigations on its financial

position in its financial statements – Refer Note 29 to the financial statements.

- (ii) The parent company and its associate did not have any material foreseeable losses 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 Parent Company and its associate company incorporated in India.

**For, O P Singhania & Co.**  
(ICAI Firm Regn. No. 002172C)  
Chartered Accountants

**per Sanjay Singhania**  
**Partner**  
Membership No. 076961  
Raipur, 27th May, 2016

**Annexure A****Re: HIRA FERRO ALLOYS LIMITED****Referred to in paragraph 1(f) of Report on Other Legal and Regulatory Requirements of our report of even date, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Hira Ferro Alloys Limited ("the Parent Company") and based on the reports of the statutory auditors of its associate company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Parent Company and its associate company 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 Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Parent Company and its associate company, which are companies incorporated in India, have, 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For, O P Singhania & Co.**  
(ICAI Firm Regn. No. 002172C)  
Chartered Accountants

**per Sanjay Singhania**  
Partner  
Membership No. 076961  
Raipur, 27th May, 2016

## Consolidated Balance Sheet as at 31st March, 2016

Particulars	Notes	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	1,958.85	1,958.85
Reserves and surplus	4	11,707.11	12,196.71
		<b>13,665.96</b>	<b>14,155.56</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	1,192.17	2,118.22
Deferred tax liability (net)	6	291.62	481.51
Long-term provisions	7	102.76	83.14
		<b>1,586.55</b>	<b>2,682.87</b>
<b>Current liabilities</b>			
Short-term borrowings	8	2,140.41	3,302.39
Trade payables	9	2,737.83	1,515.60
Other current liabilities	9	2,746.77	2,217.58
Short-term provisions	7	9.65	152.88
		<b>7,634.65</b>	<b>7,188.44</b>
<b>TOTAL</b>		<b>22,887.16</b>	<b>24,026.87</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	10	10,408.52	11,065.29
Intangible assets	11	13.55	57.00
Capital work-in-progress		4.05	10.12
Non-current investments	12	4,057.10	2,256.93
Long-term loans and advances	13	299.47	247.94
Other non-current assets	14	6.23	80.56
		<b>14,788.92</b>	<b>13,717.84</b>
<b>Current assets</b>			
Current investments	15	21.26	21.26
Inventories	16	3,054.05	3,684.40
Trade receivables	17	1,185.47	1,363.88
Cash & bank balances	18	431.14	282.77
Short-term loans and advances	13	3,359.42	4,925.79
Other current assets	14	46.89	30.93
		<b>8,098.23</b>	<b>10,309.04</b>
<b>TOTAL</b>		<b>22,887.16</b>	<b>24,026.87</b>
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O.P. Singhania & CO.**  
(ICAI Firm Reg. No. 002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No.076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Consolidated Statement of Profit &amp; Loss for the year ended 31st March, 2016

	Notes	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>INCOME</b>			
Revenue from operations (gross)	19	20,189.44	18,956.75
Less: Excise duty		1,581.99	1,494.59
Revenue from operations (net)		18,607.46	17,462.16
Other Income	20	194.42	4,081.47
<b>TOTAL REVENUE (I)</b>		<b>18,801.88</b>	<b>21,543.63</b>
<b>EXPENDITURE</b>			
Cost of raw material and component consumed	21	14,527.81	13,972.25
Purchase of Traded Goods	22	-	249.01
(Increase/decrease in inventories of finished goods)	22	289.72	97.22
Employees benefits expenses	23	828.80	907.70
Other Expenses	24	2,382.96	2,926.32
Depreciation and amortization expenses	25	799.99	962.24
Finance costs	26	640.46	928.01
<b>TOTAL EXPENDITURE (II)</b>		<b>19,469.73</b>	<b>20,042.74</b>
<b>Profit/(loss) before tax</b>		<b>(667.85)</b>	<b>1,500.89</b>
<b>Tax expenses</b>			
Current tax		-	326.85
Deferred Tax		(189.89)	84.70
MAT Credit Entitlement		-	(76.47)
Wealth Tax		-	0.50
Tax related to earlier year		11.81	(1.35)
<b>Total tax expenses</b>		<b>(178.08)</b>	<b>334.22</b>
<b>Profit/(loss) for the year from continuing operations</b>		<b>(489.78)</b>	<b>1,166.67</b>
Add: Share of Profit of associates		0.17	1.39
<b>Net Profit/(loss) for the year</b>		<b>(489.61)</b>	<b>1,168.06</b>
<b>Earnings per equity share [nominal value of share @ ₹10/- (31st March, 2015" ₹10)]</b>	27		
<b>Basic</b>		<b>(2.50)</b>	<b>5.96</b>
<b>Diluted</b>		<b>(2.50)</b>	<b>5.96</b>
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O.P. Singhania & CO.**  
(ICAI Firm Reg. No. 002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No. 076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Consolidated Cash Flow Statement for the year ended 31st March, 2016

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Cash Flow from operating activities</b>		
Profit/(loss) before tax from continuing operations	(667.85)	1,500.89
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	799.99	962.24
Loss/(profit) on sale of fixed assets	(15.16)	(16.66)
Share of Loss/(profit) of LLP	-	0.02
Provision for gratuity	18.49	21.84
Provision for doubtful debts	-	65.67
Net (gain) on sale of investments	-	(3,944.92)
Interest Expenses	572.84	719.47
Interest Income	(148.42)	(66.76)
Dividend Income	(0.01)	(0.01)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>559.88</b>	(758.22)
Movements in working capital :		
Increase/(decrease) in trade payables	1,222.23	(732.97)
Increase/(decrease) in other current liabilities	528.19	(261.20)
Decrease/(increase) in trade receivables	178.41	180.09
Decrease/(increase) in inventories	630.36	1,898.41
Decrease/(increase) in long-term loans and advances	(51.54)	55.53
Decrease/(increase) in short-term loans and advances	1,566.37	(1,022.33)
Decrease/(increase) in other current assets	(15.95)	(6.50)
Decrease/(increase) in other non-current assets	20.70	(4.27)
Cash generated from/(used in ) operations	4,638.64	(651.46)
Direct taxes paid	(12.31)	(501.59)
<b>Net Cash flow from/(used in) operating activities</b>	<b>4,626.33</b>	(1,153.04)
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including intangible assets and CWIP	(133.82)	(323.96)
Purchase of Redeemable Preference Share	(1,800.00)	(1,550.00)
Proceeds from sale of fixed assets	55.29	28.62
Proceeds from sale of current investments	-	4,502.85
Investments in bank deposits (having original maturity of more than three months)	(54.68)	84.20
Interest received	148.42	66.76
Dividends received	0.01	0.01
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,784.78)</b>	2,808.47

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Cash flows from financing activities</b>		
<b>Proceeds / (Repayment) from long-term borrowings</b>	<b>(926.05)</b>	(1,030.49)
Proceeds / (Repayment) from short-term borrowings	<b>(1,161.98)</b>	97.31
Interest paid	<b>(572.84)</b>	(719.47)
Dividends paid on equity shares	<b>(117.53)</b>	(117.53)
Tax on equity dividend paid	<b>(24.07)</b>	(19.97)
<b>Net cash flow from/(used in) financing activities</b>	<b>(2,802.47)</b>	(1,790.15)
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>40.07</b>	(134.73)
Cash and Cash Equivalents at the beginning of the year	<b>45.14</b>	179.87
<b>Cash and Cash Equivalents at the end of the year</b>	<b>85.22</b>	45.14
<b>Components of cash and cash equivalents</b>		
Cash in hand	<b>4.35</b>	12.41
With banks- on current account	<b>74.82</b>	26.32
- on unpaid dividend account*	<b>6.05</b>	6.41
	<b>85.22</b>	45.14

## Notes :

- \*The company can utilize these balances only toward settlement of the respective unpaid dividend.

As per our report of even date

**For O.P. Singhania & CO.**  
(ICAI Firm Reg. No. 002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**

Partner  
Membership No.076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

## Notes to consolidated financial statements for the year ended 31st March, 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT & LOSS

#### i) PRINCIPLES OF CONSOLIDATION :

The Consolidated Financial Statements relate to the Hira Ferro Alloys Limited ("the Parent Company"), associates viz., Active Chemicals Private Limited, collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis :

- In case of associates where the company directly holds more than 20% of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2014.
- As far as possible, the consolidated financial statements 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.

(ii) Investments other than in associates have been accounted for as per Accounting Standard (AS) 13 on "Accounting for Investments".

### 2. Other Significant Accounting Policies

These are set-out under "Significant Accounting Policies" as given in the respective financial statements of the parent company and its associates.

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>3. Share capital</b>		
Authorised		
20000000 equity shares of ₹10/- each	2,000.00	2,000.00
	<u>2,000.00</u>	<u>2,000.00</u>
Issued		
19900000 Equity Shares of ₹ 10/- each	1,999.00	1,999.00
	<u>1,999.00</u>	<u>1,999.00</u>
Subscribed and fully paid-up shares		
19588500 equity shares of ₹10/- each fully paid-up	1,958.85	1,958.85

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	2016		2015	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	19588500	1,958.85	19588500	1,958.85
Issue during the period	-	-	-	-
Outstanding at the end of the period	19588500	1,958.85	19588500	1,958.85

#### b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2016, there is no provision for dividend made by the company for equity shareholders (Previous year ₹ 0.60 per share)

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. 10041000 Equity Shares of the company have been held by M/s Godawari Power & Ispat Limited, the holding company till 30.03.2016. On 31.03.2016, 550000 Equity Shares sold by the holding company which has been transferred from demat on subsequent dates.

d. During the year ended 31st March, 2012, the company had issued 1,56,70,800 bonus shares in the ratio of 4 : 1 by capitalising of Securities Premium Reserve Account for consideration other than cash.

**e. Details of shareholders holding more than 5% shares in the company:**

	2016		2015	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10 each fully paid				
M/s Godawari Power & Ispat Limited	9491000*	48.45	1,00,41,000	51.26
Mr. Dinesh Agrawal	2,70,000	1.38	10,78,000	5.50
M/s Hira Infra-tek Limited	44,54,621	22.74	43,74,533	22.33
	<u>47,24,621</u>	<u>72.57</u>	<u>1,54,93,533</u>	<u>79.10</u>

\* 550000 shares subsequently transfer after 31.03.2016.

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>4. Reserves and Surplus</b>		
<b>Share in Reserves of Associate Company</b>		
As per last Balance Sheet	1.34	1.34
	<u>1.34</u>	<u>1.34</u>
<b>Capital Reserve</b>		
Balance as per last financial statements	20.00	20.00
	<u>20.00</u>	<u>20.00</u>
<b>Securities Premium Reserve</b>		
Balance as per last financial statements	10.42	10.42
	<u>10.42</u>	<u>10.42</u>
<b>General Reserve</b>		
Balance as per last financial statements	1,248.01	1,098.01
Add: Amount transferred from surplus balance in the statement of profit and loss	-	150.00
	<u>1,248.01</u>	<u>1,248.01</u>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	10,916.94	10,040.48
Profit for the year	(489.61)	1,168.06
<b>Less : Appropriations</b>		
Proposed final equity dividend (Amount per share Nil (31 March 2015: ₹0.60)	-	117.53
Tax on proposed equity dividend	-	24.07
Transfer to general reserve	-	150.00
Total appropriations	-	<u>291.60</u>
<b>Net surplus in the statement of profit and loss</b>	<u>10,427.33</u>	<u>10,916.94</u>
<b>Total reserves and surplus</b>	<u>11,707.11</u>	<u>12,196.71</u>

## 5. Long-term borrowings

	Non-current portion		Current maturities	
	2016 (₹ in lacs)	2015 (₹ in lacs)	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Term Loans</b>				
Indian rupee loan from banks (secured) including FCNRB facility	1,192.17	2,118.22	941.98	922.55
<b>Other loans and advances</b>				
From financial institutions (secured)	-	-	-	0.60
	<u>1,192.17</u>	<u>2,118.22</u>	<u>941.98</u>	<u>923.15</u>
<b>The above amount includes</b>				
Secured borrowings	1,192.17	2,118.22	941.98	923.15
Amount disclosed under the head "other current liabilities" (note 9)			(941.98)	(923.15)
Net amount	<u>1,192.17</u>	<u>2,118.22</u>	<u>-</u>	<u>-</u>

- a) The term loans (both rupee and foreign currency) aggregating to ₹ 2134.15 lacs (Previous year ₹ 3040.77 lacs) (including current maturities of ₹ 941.98 lacs (Previous year ₹ 922.55 lacs) classified as 'Current Liabilities in No 9) are secured by first pari-passu charge on entire fixed assets of the company including wind mill and hypothecation of plant & machineries, equipments, furniture and fixtures, structures, other movable assets present and future and also charge over mortgage of land alongwith building etc. The Term Loans are further secured by second pari-passu by way of hypothecation of entire Current Assets consisting of Raw Materials, Finished Goods, Stores & Spares etc and Book Debts of the company (present and future) and also secured by Personal Guarantee of Promoters / Directors.
- b) Other Loans and advances from banks aggregating ₹ Nil lacs (P.Y. ₹ 0.60 lacs) (including current maturities of ₹ Nil lacs (P.Y. ₹ 0.60 lacs) classified as 'Current Liabilities' in Note 9) are secured by hypothecation of vehicles.

	Maturity Profile (₹ in Lacs)				
	0-1 years	1-2 years	2-3 years	3-4 years	Beyond 4 years
Rupee Term Loans including FCNRB	941.98	842.71	349.46	-	-

## 6. Deferred Tax Liability (Net)

	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Differed Tax Liabilities</b>		
Fixed Assets: Impact of differences between tax depreciation and depreciation / amortization charged for the financial reportings	472.74	541.02
<b>Gross deferred tax liability</b>	<u>472.74</u>	<u>541.02</u>
<b>Differed Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	61.27	59.51
On account of unabsorbed depreciation	119.85	-
<b>Gross deferred tax asset</b>	<u>181.12</u>	<u>59.51</u>
<b>Net deferred tax liability</b>	<u>291.62</u>	<u>481.51</u>

7. Provisions	Long-term		Short-term	
	2016 (₹ in lacs)	2015 (₹ in lacs)	2016 (₹ in lacs)	2015 (₹ in lacs)
<b>Provision for employee benefits</b>				
Provision for gratuity (note. 30)	102.76	83.14	9.65	10.78
	<u>102.76</u>	<u>83.14</u>	<u>9.65</u>	<u>10.78</u>
<b>Other Provisions</b>				
Provision for Wealth Tax	-	-	-	0.50
Proposed equity dividend	-	-	-	117.53
Provision for tax on proposed equity dividend	-	-	-	24.07
	<u>-</u>	<u>-</u>	<u>-</u>	<u>142.10</u>
	<u>102.76</u>	<u>83.14</u>	<u>9.65</u>	<u>152.88</u>

8. Short-term borrowings	2016 (₹ in lacs)	2015 (₹ in lacs)
Cash Credit from banks (secured)	1,450.48	2,692.00
Bank Overdraft Facility	16.86	15.28
Buyers Credit facility in Foreign Currency (secured)		578.00
Loan and advances from related parties repayable on demand (unsecured)	18.50	17.11
Loan and advances from others repayable on demand (unsecured)	654.57	-
	<u>2,140.41</u>	<u>3,302.39</u>
<b>The above amount includes</b>		
Secured borrowings	1,467.34	3,285.28
Unsecured borrowings	673.07	17.11

Cash credit from banks is secured against margin money deposits, investment property, intangible assets except goodwill and second charge on all trade receivables. The cash credit is repayable on demand.

Buyers credit facilities in foreign currency o/s ₹ Nil lacs (P.Y. ₹ 578.00 Lacs) are repayable after 180 days of its origination. The loan is secured against margin money deposits, investment property, intangible assets except goodwill and second charge on all trade receivables.

Bank overdraft facility is secured against pledge of fixed deposit receipts with bank.

<b>9. Other Current Liabilities</b>	<b>2016 (₹ in lacs)</b>	2015 (₹ in lacs)
Trade payables	<b>2,737.83</b>	1,515.60
<b>Other liabilities</b>		
Current maturities of long-term borrowings (note.5)	<b>941.98</b>	923.15
Advance from customers	<b>464.18</b>	41.14
Unpaid dividend	<b>6.05</b>	6.41
Provision for Renewal Purchase Obligation (REC)	<b>581.31</b>	455.19
Other payables	<b>753.25</b>	791.68
	<b>2,746.77</b>	2,217.58
	<b>5,484.60</b>	3,733.18

**10. Tangible assets**

Cost or valuation	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Borewell & Water System	Plant & Machinery	Electrical Installation	Lab Equipment	Air Conditioner	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Pay Loader	Weigh Bridge	Total
At 1 April 2014	428.34	71.75	209.78	1,577.60	29.70	11,644.91	1,986.67	6.64	18.62	59.43	93.97	102.71	218.67	247.55	17.37	16,713.71
Additions	42.63	-	-	133.98	14.99	43.52	13.16	-	14.14	1.11	1.80	39.74	-	54.10	-	359.17
Disposals	0.35	-	-	-	-	-	-	-	-	-	-	-	31.64	-	-	31.99
<b>At 31 March, 2015</b>	<b>470.61</b>	<b>71.75</b>	<b>209.78</b>	<b>1,711.58</b>	<b>44.70</b>	<b>11,688.43</b>	<b>1,999.83</b>	<b>6.64</b>	<b>32.76</b>	<b>60.53</b>	<b>95.77</b>	<b>142.45</b>	<b>187.03</b>	<b>301.65</b>	<b>17.37</b>	<b>17,040.89</b>
Additions	20.54	-	-	11.58	9.71	84.76	19.83	-	-	8.20	2.50	136.58	2.50	-	-	136.58
Disposals	450.07	71.75	209.78	1,723.16	54.40	11,773.19	1,995.91	6.64	32.76	60.53	103.97	142.45	175.94	301.65	17.37	17,119.57
<b>At 31st March 2016</b>	<b>450.07</b>	<b>71.75</b>	<b>209.78</b>	<b>1,723.16</b>	<b>54.40</b>	<b>11,773.19</b>	<b>1,995.91</b>	<b>6.64</b>	<b>32.76</b>	<b>60.53</b>	<b>103.97</b>	<b>142.45</b>	<b>175.94</b>	<b>301.65</b>	<b>17.37</b>	<b>17,119.57</b>
<b>Depreciation</b>																
At 1 April 2014	-	-	-	324.78	8.88	3,661.66	728.52	1.31	7.58	17.55	69.52	39.46	137.21	79.77	3.67	5,079.91
Charge for the year	-	-	-	48.80	20.31	321.64	321.32	0.66	10.77	24.45	12.90	13.33	29.51	111.47	0.56	915.73
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	20.03	-	-	20.03
<b>At 31 March, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>373.57</b>	<b>29.20</b>	<b>3,983.30</b>	<b>1,049.84</b>	<b>1.97</b>	<b>18.34</b>	<b>42.00</b>	<b>82.42</b>	<b>52.79</b>	<b>146.68</b>	<b>191.24</b>	<b>4.23</b>	<b>5,975.60</b>
Charge for the year	-	-	-	53.00	4.33	323.91	298.25	0.68	3.23	8.60	7.38	16.63	10.61	26.06	0.56	753.23
Disposals	-	-	-	-	-	-	8.82	-	-	-	-	-	8.95	-	-	8.95
<b>At 31st March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>426.58</b>	<b>33.53</b>	<b>4,307.22</b>	<b>1,339.26</b>	<b>2.65</b>	<b>21.57</b>	<b>50.60</b>	<b>89.80</b>	<b>69.42</b>	<b>148.35</b>	<b>217.30</b>	<b>4.79</b>	<b>6,711.06</b>
<b>Net Block</b>																
At 31st March, 2015	470.61	71.75	209.78	1,338.00	15.50	7,705.13	950.00	4.67	14.42	18.53	13.35	89.66	40.35	110.41	13.14	11,065.29
<b>At 31st March 2016</b>	<b>450.07</b>	<b>71.75</b>	<b>209.78</b>	<b>1,296.58</b>	<b>20.88</b>	<b>7,465.97</b>	<b>656.64</b>	<b>3.99</b>	<b>11.19</b>	<b>9.93</b>	<b>14.17</b>	<b>73.03</b>	<b>27.59</b>	<b>84.36</b>	<b>12.57</b>	<b>10,408.52</b>

Note:

Plant & Machinery includes Gross Block of ₹535.36 lacs (P.Y. ₹ 535.36 lacs) with Net Block of ₹ 376.83 lacs (P.Y. ₹387.69 lacs) and Freehold land of ₹ 22.33 lacs, in respect of expenditure incurred on capital assets, ownership of which does not vest in the Company.

**11. Intangible assets**

	Goodwill	Computer software	Total
<b>Gross Block</b>			
At 1st April, 2014	216.83	31.43	248.26
Purchase	-	-	-
<b>At 31st March, 2015</b>	<b>216.83</b>	<b>31.43</b>	<b>248.26</b>
Purchase	216.83	3.32	3.32
<b>At 31st March, 2016</b>	<b>216.83</b>	<b>34.75</b>	<b>251.58</b>
Amortization			
At 1st April, 2014	130.10	14.66	144.76
Charge for the year	43.37	3.14	46.51
<b>At 31st March, 2015</b>	<b>173.46</b>	<b>17.80</b>	<b>191.27</b>
Charge for the year	43.37	3.40	46.76
<b>At 31st March, 2016</b>	<b>216.83</b>	<b>21.20</b>	<b>238.03</b>
Net Block			
At 31st March, 2015	43.37	13.63	57.00
<b>At 31st March, 2016</b>	<b>-</b>	<b>13.55</b>	<b>13.55</b>

<b>12. Non-current investments</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Trade Investments (valued at cost)</b>		
<b>Unquoted equity instruments, fully Paid up</b>		
80100 (80100) Equity Shares of ₹ 10/- each in Hira Cement Ltd.	<b>16.01</b>	16.01
1330000 (1330000) Equity Shares of ₹10/- each in Earth Minerals Co Ltd	<b>266.28</b>	266.28
10000 (10000) Equity Shares of ₹10/- each in Hira Energy Ltd	<b>1.00</b>	1.00
510 (510) Equity Shares of ₹10/- each in Vimla infrastructure (I) P. Ltd.	<b>0.51</b>	0.51
397000 (397000) Equity Shares of ₹10/- each in Alok Ferro Alloys Ltd	<b>417.74</b>	417.74
15500000 (15500000) Non Convertible non cummulative 0.01% Redeemable Preference Share of ₹10/- each in Maruti Clean Coal & Power Ltd.	<b>1,550.00</b>	1,550.00
1800000 (0) Optionally Convertible Cummulative Preference Share of ₹100/- each in Godawari Green Energy Limited	<b>1,800.00</b>	
<b>Investment in associates</b>		
2004 (2004) Equity Shares of ₹ 100/- each in Active Chemical Pvt. Ltd.	<b>5.57</b>	5.40
	<b>4,057.10</b>	2,256.93

<b>13. Loans and advances (unsecured, considered good)</b>	<b>Non-current</b>		<b>Current</b>	
	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Security deposit	<b>299.47</b>	247.94	<b>41.59</b>	19.50
Advances recoverable in cash or in kind			<b>526.86</b>	1,477.56
Other loans and advances				
MAT Credit Entitlement			<b>1,362.94</b>	1,375.20
TDS Receivable			<b>165.15</b>	152.56
Inter Corporate Deposit			-	1,570.00
Loan to Body Corporates & Others			<b>1,059.84</b>	16.84
Prepaid expenses			<b>22.60</b>	<b>18.47</b>
Balance with statutory/govt. authorities			<b>180.45</b>	295.68
<b>Total</b>	<b>299.47</b>	247.94	<b>3,359.42</b>	4,925.79

<b>14. Other assets</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Margin money deposit:</b>				
Non-current bank balances (note-18)	<b>6.20</b>	59.82		
<b>Others</b>				
Interest accrued on fixed deposits	<b>0.03</b>	20.73	<b>39.80</b>	28.51
Others			<b>7.09</b>	2.43
	<b>6.23</b>	80.56	<b>46.89</b>	30.93

<b>15 Current investments (valued at lower of cost and fair value, unless stated otherwise)</b>			<b>2016</b>	2015
			<b>(₹ in lacs)</b>	(₹ in lacs)
<b>Non-trade investments</b>				
Investment in equity instruments (Quoted)				
264 (264) Equity Shares of ₹ 10/- each in Capital First Ltd.			<b>2.02</b>	2.02
172893 (172893) Equity Shares of ₹ 10/- each in Sunflag Iron & Steel Co. Ltd			<b>19.24</b>	19.24
			<b>21.26</b>	21.26
Aggregate Amount of quoted investments			<b>21.26</b>	21.26
Aggregate Market Value of quoted investments			<b>35.63</b>	41.69
<b>16 Inventories (valued at lower of cost and net realizable value)</b>				
Raw Materials and components (Refer Note-21)			<b>2,373.33</b>	2,698.85
Finished goods (Refer Note-22)			<b>180.21</b>	469.97
By Product (Refer Note-22)			<b>0.06</b>	0.02
Stores & spares			<b>500.44</b>	515.56
			<b>3,054.05</b>	3,684.40
<b>17 Trade receivables</b>			<b>Current</b>	
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered good			<b>69.16</b>	37.52
Doubtful			<b>64.65</b>	65.67
			<b>133.81</b>	103.19
Provision for doubtful receivables			<b>64.65</b>	65.67
<b>Total (A)</b>			<b>69.16</b>	37.52
Other receivables				
Considered good*			<b>1,116.32</b>	1,326.36
<b>Total (B)</b>			<b>1,116.32</b>	1,326.36
<b>Total</b>			<b>1,185.47</b>	1,363.88
* Other receivable includes due from holding company of ₹ NIL (P.Y. ₹10215653/-)				
<b>18. Cash and bank balances</b>	<b>Non-current</b>		<b>Current</b>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>(₹ in lacs)</b>	(₹ in lacs)	<b>(₹ in lacs)</b>	(₹ in lacs)
<b>Cash and cash equivalents</b>				
Cash in hand			<b>4.35</b>	12.41
<b>Balances with banks:</b>				
On current accounts			<b>74.82</b>	26.32
On unpaid dividend account *			<b>6.05</b>	6.41
			<b>85.22</b>	45.14
<b>Other bank balances</b>				
<b>Margin money deposit :</b>				
Deposits with original maturity for more than 12 months	<b>6.20</b>	59.82	<b>80.62</b>	-
Deposits with original maturity for more than 3 months but less than 12 months			<b>265</b>	237.62
	<b>6.20</b>	59.82	<b>345.92</b>	237.62
Amount disclosed under non-current assets (note-14)	<b>6.20</b>	59.82		
	<b>-</b>	-	<b>431.14</b>	282.77

**Margin money deposits given as security**

Margin money deposits with a carrying amount of ₹352.12 lacs (31st March 2015: ₹297.44 lacs) are pledged with various banks for availing LC, BG, OD facilities and pledged with other Govt. Departments.

\* Balance held by the company which are not available for use by it.

<b>19. Revenue from operations</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Manufacturing Goods and By-Products	<b>16,383.39</b>	15,784.97
Electricity	<b>3,791.03</b>	2,887.55
Traded Goods	-	274.22
<b>Other operating revenue</b>		
Scrap sales	<b>15.02</b>	10.00
<b>Revenue from operations (gross)</b>	<b>20,189.44</b>	18,956.75
Less: Excise duty#	<b>1,581.99</b>	1,494.59
<b>Revenue from operations (net)</b>	<b>18,607.46</b>	17,462.16
# Excise duty on sales amounting to ₹ 1581.99 lacs (31st March, 2015: ₹1494.59 lacs has been reduced from sale in profit & loss account and excise duty on increase/(decrease) in stock amounting to (₹32.20 lacs) (31st March,2015:₹10.17 lacs)) has been considered as (income)/expense in note 24 of financial statements.		
<b>Details of products sold</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Finished Goods and by-products Sold</b>		
Ferro Alloys		
-Domestic	<b>16,143.11</b>	15,188.26
-Export	<b>239.50</b>	595.91
Electricity	<b>3,791.03</b>	2,887.55
By-Products & Others	<b>0.78</b>	0.80
<b>Traded Goods Sold</b>		
Coal	-	274.22
	<b>20,174.42</b>	18,946.75
<b>20. Other Income</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Interest Income on</b>		
Bank Deposits	<b>19.90</b>	34.37
Others	<b>128.52</b>	32.39
Dividend Income on Current investments	<b>0.01</b>	0.01
Net gain on sale of Invesments	-	3,944.92
Net gain/(loss) on sale of fixed assets	<b>15.16</b>	16.66
Income from Duty Draw Back & FPS License	<b>20.84</b>	23.46
Provision for Doubtful Debts Written Back	<b>1.02</b>	-
Other non-operating income	<b>8.97</b>	29.66
	<b>194.42</b>	4,081.47
<b>21. Cost of raw material and components consumed</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Inventory at the beginning of the year	<b>2,698.85</b>	4,538.14
Add: purchases including procurement expenses (Net of Disposal)	<b>14,202.29</b>	12,132.96
	<b>16,901.14</b>	16,648.53
Less : Inventory at the end of the year	<b>2,373.33</b>	2,698.85
Cost of raw material and components consumed	<b>14,527.81</b>	13,972.25
<b>Details of raw material and components consumed</b>		
Manganese Ore	<b>5,050.08</b>	5,675.71
Coal	<b>6,978.45</b>	6,060.73
Carbon Paste	<b>342.47</b>	357.30
HI Mno Slag	<b>635.81</b>	570.57
Rice Husk	<b>1,304.62</b>	939.19
Lancing Pipe	<b>22.34</b>	34.51
Others	<b>194.04</b>	334.25
	<b>14,527.81</b>	13,972.25

<b>Details of Inventory</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
<b>Raw Material and Components</b>		
Manganese Ore	<b>1,308.34</b>	1,572.64
Coal	<b>593.29</b>	922.30
Carbon Paste	<b>28.89</b>	29.62
HI Mno Slag	<b>153.11</b>	11.42
Rice Husk	<b>232.88</b>	89.94
Lancing Pipe	<b>1.76</b>	0.91
Others	<b>55.07</b>	72.01
	<b>2,373.33</b>	2,698.85

  

<b>22. (Increase)/Decrease in Inventories</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)	<b>(Increase)/Decrease</b> (₹ in lacs)
			<b>31st March, 2016</b>
<b>Inventories at the end of the year</b>			
Finished goods and by-products	<b>180.27</b>	<b>469.99</b>	<b>289.72</b>
	<b>180.27</b>	469.99	<b>289.72</b>
<b>Inventories at the beginning of the year</b>			31st March, 2015
Finished goods and by-products	<b>469.99</b>	567.21	97.22
	<b>469.99</b>	567.21	97.22
Net (increase)/decrease in inventories	<b>289.72</b>	97.22	

  

<b>Details of purchase of traded goods</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Coal	-	249.01
	-	249.01
<b>Finished goods and by-products</b>		
Ferro Alloys	<b>180.18</b>	469.94
Fly Ash Bricks	<b>0.03</b>	0.03
By-Products & Others	<b>0.06</b>	0.02
	<b>180.27</b>	469.99

  

<b>23. Employee benefit expense</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Salaries, wages and bonus	<b>732.18</b>	812.99
Contribution to provident and other fund	<b>47.99</b>	53.83
Gratuity Expense (Note 30)	<b>46.81</b>	34.84
Workmen and staff welfare expenses	<b>1.81</b>	6.03
	<b>828.80</b>	907.70

  

<b>24. Other Expense</b>	<b>2016</b> (₹ in lacs)	2015 (₹ in lacs)
Consumption of stores and spares	<b>364.67</b>	507.09
Increase/(decrease) of excise duty on inventory	<b>(32.20)</b>	(10.17)
Packing Material Consumed	<b>67.57</b>	56.70
Power & Fuel	<b>788.28</b>	955.54
Water Charges	<b>42.98</b>	65.16
Material Handling & other manufacturing expenses	<b>357.15</b>	383.68
Insurance	<b>19.70</b>	13.41

<b>24. Repairs and maintenance</b>		
- Plant and machinery	200.76	239.22
- Buildings	24.84	94.15
- Others	26.87	31.38
Rebate, shortage claims & other deductions	2.28	4.98
<b>Commission</b>		
- Other than Sole selling agents	14.62	42.43
Travelling and conveyance	13.90	21.86
Communication expenses	8.00	17.39
Printing and stationery	4.59	4.53
Legal and professional fees	25.97	58.60
Directors' sitting fees	3.30	3.20
Directors' remuneration	58.28	57.84
Payment to Auditor (Refer details below)	6.60	4.40
Security service charges	40.38	43.67
Renewal Purchase Obligation (RPO)	126.12	134.00
Share of Loss on Limited Liability Partnership		0.02
Provision for Doubtful Debts		65.67
Miscellaneous expenses	218.29	131.59
	<b>2,382.96</b>	<b>2,926.32</b>
<b>Payment to Auditor</b>		
<b>As auditor :</b>		
Audit fee	6.35	4.15
Tax Audit fee	0.25	0.25
	<b>6.60</b>	<b>4.40</b>
<b>25. Depreciation and amortization expense</b>		
Depreciation on tangible assets	753.23	915.73
Amortization of intangible assets	46.76	46.51
	<b>799.99</b>	<b>962.24</b>
<b>26. Finance Costs</b>	<b>2016</b>	<b>2015</b>
	<b>(₹ in lacs)</b>	<b>(₹ in lacs)</b>
Interest		
- on term loans	205.55	374.66
- on working capital	218.27	251.58
- on others	13.64	6.95
Exchange difference to the extent considered as an adjustment to borrowing costs	135.38	208.54
Bank charges	67.62	86.28
	<b>640.46</b>	<b>928.01</b>
<b>27. Earnings per share (EPS)</b>		
Net profit/(loss) as per the statement of profit and loss	(489.78)	1,166.67
Net profit/(loss) for calculation of basic EPS & Diluted EPS	(489.78)	1,166.67
Weighted average number of equity shares in calculating Basic EPS	1,95,88,500	1,95,88,500
Weighted average number of equity shares in calculating Diluted EPS	1,95,88,500	1,95,88,500
Basic & Diluted EPS		
- Basic earning per share (in ₹)	(2.50)	5.96
- Diluted earning per share (in ₹)	(2.50)	5.96

**28. The significant associates company considered in the consolidated financial statements is:**

Name of the Associate	Country of incorporation	Proportion of ownership interest	
<b>Active Chemicals Private Limited</b>	<b>India</b>	<b>2015-16</b>	2014-15
		<b>28.04%</b>	28.04%

**29. Contingent Liabilities not provided for, are in respect of :-**

- I. Central Excise Duty ₹ 11.58 lakhs (Previous Year ₹ 20.41 lakhs)  
CST/VAT/Entry Tax ₹ 68.53 lakhs (Previous Year ₹ 68.53 lakhs)  
Custom Duty ₹ 153.06 lakhs (Previous Year ₹ 153.06 lakhs)  
In respect of above demands the Company has preferred Appeals before higher authorities.
- II. Counter Guarantees given against the bank guarantees issued by the companies banker aggregating to ₹1393.60 lacs (P.Y. 243.06 lacs).
- III. Disputed energy development cess demanded by the Chief Electrical Inspector. Govt of Chhattishgarh ₹1491.59 Lacs (P.Y. ₹ 1328.29 Lacs). The Hon'ble High court of Chhattishgarh has held the levy of cess as unconstitutional vide its order dtd 20th June 2008. The state government has filed a special leave petition before Hon'ble Supreme Court, which is pending for final disposal.
- IV. During the year, the Income Tax Department has conducted a search operation U/s 132 of the Income Tax Act, 1961. During the course of search the various documents and records have been seized by them and physical verification of stocks was also conducted by independent agencies appointed by them. The company does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.

**30. Gratuity and other post-employment benefit plans :**

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the profit and loss account and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	₹ in Lacs (Gratuity) 2016	₹ in Lacs (Gratuity) 2015
Current Service cost	14.15	13.88
Interest cost on benefit obligation	8.28	6.64
Expected return on plan assets	0.00	0.00
Net actuarial loss/(gain) recognised in the year	24.39	14.32
Past service cost	0.00	0.00
Actual return on plan assets	46.81	20.17
Balance Sheet details of provision for Gratuity		
Defined benefit obligation	112.40	93.92
Fair value of plan assets	0.00	0.00
	112.40	93.92
Less : Unrecognised past service cost	0.00	0.00
Plan liability	112.40	93.92

Changes in the present value of the defined benefit obligation are as follows :

Defined benefit obligation as at April 1, 2015	93.92	72.08
Interest cost	8.27	6.64
Current Service Cost	14.15	13.88
Benefits paid	(28.33)	(13.00)
Actuarial losses on obligation	24.39	14.32
Defined benefit obligation as at March 31, 2016	112.40	93.92

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

	2016	2015
Discount Rate	8.00%	8.00%
Increase in Compensation cost	5.00%	5.00%
Expected average remaining working lives of employee (years)	20.78	21.19

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans :	₹ in Lacs	
	2016	2015
Provident Fund	39.34	40.94

### 31. Segment-wise Revenue Results :

Basis of preparation :

- Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly Ferro Alloys and Power have been identified as the business segments.
- The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

Information about business Segments-Primary

₹ in Lacs

Particulars	Ferro Alloys Segment		Power		Trading Segment			
	2016	2015	2016	2015	2016	2015	2016	2015
<b>A) REVENUE</b>								
External Sales	14814.36	14302.51	3793.10	2889.54	0.00	270.11	18607.46	17462.16
Inter Segment Sales	0.00	0.00	7511.23	5709.46	0.00	0.00	7511.23	5709.46
Total Segment Revenue	14814.36	14302.51	11304.33	8599.00	0.00	270.11	26118.69	23171.62
Less: Eliminations	0.00	0.00	7511.23	5709.46	0.00	0.00	7511.23	5709.46
Net Revenue	14814.36	14302.51	3793.10	2889.54	0.00	270.11	18607.46	17462.16
<b>B) RESULTS</b>								
<b>Segment Operational Profit</b>								
Ferro Alloys Segment							(2854.63)	(2573.02)
Power							2791.36	833.46
Trading							0.00	9.30
Total Segment Result							(63.27)	(1730.26)

## Information about business Segments-Primary

₹ in Lacs

Particulars	Ferro Alloys Segment		Power		Trading Segment			
	2016	2015	2016	2015	2016	2015	2016	2015
Un-allocable Income							97.47	4011.68
Interest Expenses							(640.46)	(719.47)
Un-allocable Expenses							(61.58)	(61.06)
Net Tax Expense							178.08	(334.22)
Net Profit							(489.78)	1166.67
<b>C) OTHER INFORMATION</b>								
<b>Segment Assets</b>								
Ferro Alloys Segment							8428.67	10328.01
Power							10082.27	11150.60
Trading							0.00	2.03
<b>Total Segment Assets</b>							18510.94	21480.64
Un-allocable Assets							4378.92	2546.25
<b>Total Assets</b>							22889.86	24026.90
<b>Segment Liabilities and Provisions</b>								
Ferro Alloys Segment							6973.79	8788.60
Power							2241.37	926.87
Trading							0.00	7.32
<b>Total Liabilities and Provisions</b>							9215.16	9722.80
Un-allocable Liabilities and Provisions							6.05	148.51
<b>Total Liabilities and Provisions</b>							9221.20	9871.31
Capital Expenditure							133.82	323.96
Depreciation /Amortisation							799.99	962.24

**32. RELATED PARTY DISCLOSURE AS PER AS-18**
**a) Related parties and their relationship:**
**a) Holding Company**

- Godawari Power &amp; Ispat Ltd. till 30.03.2016

**b) Related Enterprises where control exist**

- Active Chemical Pvt. Ltd.

**c) Key Management Personnel**

- Mr. N. P. Agrawal, Managing Director
- Mr. Arvind Dubey, Director
- Mr. Dilip Chauhan, CFO
- Mr. Mohit Chande, CS

**Transaction with related parties in the ordinary course of business**

(₹ in lacs)

Nature of Transactions	2016	2015
<b>a) Holding Company</b>		
1. Purchase of Materials and Others	382.66	469.02
2. Sale of Goods	1,174.34	1,217.20
3. Investment in Fully Cumulative Convertible Preference Share	1,800.00	-
4. Balance receivable	-	102.16
5. Balance payable	177.63	-

Nature of Transactions	Related Enterprises where control exist		Key Managerial Personnel		Total	
	2016	2015	2016	2015	2016	2015
1. Directors Remuneration and Salary	-	-	79.79	79.54	79.79	79.54
2. Loans & Advances received during the year	-	15.85	-	220.00	-	235.85
3. Loans & Advances Taken repaid during the year	-	-	-	220.00	-	220.00
4. Interest Paid on Loans Taken	1.54	1.40	-	-	1.54	1.40
5. Balance Outstanding Loan Payable	18.50	17.11	-	-	18.50	17.11

b) Details of Material Transaction with related parties	2016	2015
<b>Remuneration Paid</b>		-
Mr. N. P. Agrawal	42.00	42.00
Mr. Arvind Dubey	16.28	15.84
Mr. Dilip Chouhan	12.40	12.23
Mr. Mohit Chande	9.10	9.47
<b>Loans &amp; Advances Received during the year:</b>		
Sri N. P. Agrawal	-	220.00
Active Chemical Pvt. Ltd.	-	15.85
<b>Loans &amp; Advances Taken Repaid during the year:</b>		
Sri N. P. Agrawal	-	220.00
<b>Interest Paid on Loans Taken</b>		
Active Chemical Pvt. Ltd.	1.54	1.40
<b>Balance of Loans Payable</b>		
Active Chemical Pvt. Ltd.	18.50	17.11

33. Foreign Currency Exposure that are not hedged by derivative instruments or forward contracts as on 31.03.2016 amounts to ₹361.72 Lacs (PY.₹ 439.58 lacs)

34. Previous year figures are regrouped / rearranged wherever necessary.

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For O. P. Singhania & CO.**  
(ICAI Firm Reg. No. 002172C)  
Chartered Accountants

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**Per SANJAY SINGHANIA**  
Partner  
Membership No. 076961

Place : Raipur  
Date : 27.05.2016

**(N. P. AGRAWAL)**  
Managing Director

**(MOHIT CHANDE)**  
Company Secretary

**(ARVIND DUBEY)**  
Director

**(DILIP CHAUHAN)**  
CFO

**Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.**

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ In Lakh)	As % of consolidated profit or loss	Amount (₹ In Lakh)
<b>Parent</b>				
Hira Ferro Alloys Limited	99.96	13,952.01	100.03	-489.78
<b>Subsidiaries</b>	0	0.00	0	0.00
<b>Joint Venture</b>	0	0.00	0	0.00
<b>Associates (Investment as per equity method)</b>				
<b>Indian</b>				
Active Chemicals Private Limited	0.04	5.57	-0.03	0.17

For and on behalf of the Board of Directors of Hira Ferro Alloys Limited

**(N. P. AGRAWAL)**

Managing Director

**(ARVIND DUBEY)**

Director

**(MOHIT CHANDE)**

Company Secretary

**(DILIP CHAUHAN)**

CFO







# HIRA

**HIRA FERRO ALLOYS**

**HIRA FERRO ALLOYS LIMITED**

CIN: U27101CT1984PLC005837

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