

HIRA

HIRA FERRO ALLOYS



HIRA FERRO ALLOYS LIMITED

ANNUAL REPORT

2014 -15

BOARD OF DIRECTORS

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

Chairman, Independent Director
Managing Director
Independent Director
Executive Director
Non- Executive Director

COMPANY SECRETARY

Mr. Mohit Chande

CHIEF FINANCIAL OFFICER

Mr. Dilip Chauhan

AUDITORS

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

INTERNAL AUDITORS

JDS & Co.
Chartered Accountants, Raipur

HOLDING COMPANY

Godawari Power and Ispat Limited
Plot No. 428/2 Phase I, Industrial Area,
Siltara- 493111
Raipur, Chhattisgarh

BANKERS

State Bank of India
Axis Bank Limited
IDBI Bank Limited

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

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 31st 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 2015.

FINANCIAL RESULTS

	Year ended 31.03.2015 (₹ in Lacs)	Year ended 31.03.2014 (₹ in Lacs)
Net Sales	17462.16	21275.76
Other Income	4081.47	100.66
Total Income from Operations	21543.63	21376.42
Profit before Interest, Depreciation and Tax	3182.60	2055.80
Finance Charges	719.47	766.58
Depreciation & Amortization Expenses	903.79	860.68
Profit before Tax	1500.89	428.54
Less: Provision for Income Tax, Tax related to earlier years & Wealth Tax Provision	334.22	1.57
Net Profit after Tax	1166.66	270.84
Add: Balance brought forward from previous year	10040.53	10057.19
Profit available for appropriations	11207.19	10328.03

REVIEW OF PERFORMANCE:

Your Directors are pleased to inform that during the year under review, your Company has registered net sales turnover of ₹ 17462.16 Lacs as compared to net sales of ₹ 21275.76 Lacs during the previous year. In terms of volume, the sale Ferro alloys decreased to 27356.945 MTs from 31,180.250 MTs during the year registered a downfall of 12.26%. The sale of electricity division decreased to 2887.55 Lacs as against sale of ₹ 3584.00 Lacs during the year registering a downfall of 19.43%. Your Company has sold 54757876 Kwh of power as compared to 73503586 Kwh during the previous year which registering a downfall of 25.50%.

DIVIDEND

Your Directors are pleased to recommend payment of final dividend @ Re. 0.60/- per equity shares (i.e. 6%) of face value of ₹ 10/- each, to maintain the payment of dividend at the same level as last year, which is provided for in the accounts absorbing a sum of ₹ 141.60 Lacs (including Dividend Distribution Tax of ₹ 24.07 Lacs), if approved by the members in the ensuing annual general meeting of the Company for the financial year 2014-15.

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 September 27, 2014 (date of last Annual General Meeting) on the Company's website (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, 2015, the paid up Equity Share Capital of the company was ₹ 1958.85 Lacs divided into 19588500 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, 2015 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 99.14% of the share capital are dematerialized as on 31st March, 2015. 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.

VOLUNTARY DELISTING OF SHARES

During the year under the review, the Company's Equity Shares has been delisted from BSE Limited (BSE) and Madhya Pradesh Stock Exchange Limited (MPSE) wef from 11th August, 2014. Under voluntary delisting offer M/s Hira Infra-Tek Limited, a Promoter Group Company (the "Acquirer") had given an Exit Offer Opportunity to the Public Shareholders of your company to sale their shares to acquirer through Reverse Book Building Process (RBP) and after successfully completion of delisting offer, shares of the Company has been delisted from exchanges. Despite to this, all the Public Shareholders of the Company who did not or not able to participate in the RBP or unsuccessfully tendered their Equity shares in the RBP will be able to offer their Equity Shares to the acquirer at the Exit Price of ₹ 32/- per share at any time on or before 10th August, 2015 (i.e. the next twelve (12) months from the date of delisting of the Equity Shares from the BSE and the MPSE).

The exit offer has been sent to all the public shareholders of the Company and the same is also available on the website of the Company. (www.hiraferroalloys.com)

During the year M/s Hira Infra Tek Limited (HITL) has acquired 39,62,999 equity shares, representing 20.33% of the paid up capital of the Company under voluntary delisting offer on 4th July, 2014. Consequent to these acquisitions of shares, your company has become Associate Company of HITL w.e.f. 4th July 2014

HITL is holding 43,74,533 equity shares of the Company as on 31st March, 2015, which is 22.33 % of the paid up capital of the Company comprising of 1,95,88,500 equity shares of ₹ 10/- each.

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

Your Company has transferred ₹ 1500.00 Lacs to General Reserve from the surplus balance in the statement of profit and loss account for the Financial Year 2014-15.

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 2014-15.

ALTERATION OF ARTICLES OF ASSOCIATION

During the year your Company has adopted new set of articles of association to meet the requirement of Companies Act, 2013. The Shareholders of the Company in their extra-ordinary general meeting held on 11th November, 2014 have approved the adoption a new set of Articles of Association of the Company by special resolution.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no material changes and commitments affecting the financial position of the Company occurred between the 01.04.2015 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 2014-15. Your Company has also not entered into any Joint Venture during the Financial Year 2014-15.

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 2014-15.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONS:

During the year under review there is no change in the Directors of the Company. 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, Mr. Dilip Chauhan was elevated & designated as the Chief Financial Officer and Mr. Mohit Chande, Company Secretary, designated as Key Managerial Person with effect from 24.05.2014.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Shri Y.C 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 Board of Directors has constituted Corporate Social Responsibility Committee (CSR Committee) comprising of three directors including one Independent Director on 24.05.2014 as given hereunder:

Sl. No.	Name of the Member	Designation	Nature of Directorship
1.	Shri Biswajit Choudhuri	Chairman-Non Executive Director	Independent Director
2.	Shri Arbind Kumar Dubey	Member-Executive Director	Non Independent Director
3.	Shri Yarra Chandra Rao	Member-Non Executive Director	Non Independent Director

However, since the Net Profit for the Previous Financial Year was less than ₹ 5 crores, the company was not required to spend any amount 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 2014-15 on 23.05.2014, 09.08.2014, 10.11.2014 and 09.02.2015. The composition of the committee and the details of meeting attended by the directors during the year are given below:

Sl. No.	Name of the Member	Designation	No. of Meeting Attended
1.	Shri Biswajit Choudhuri	Chairman-Independent Director	4
2.	Shri Bhrgunath Ojha	Member-Independent Director	4
3.	Shri Y. C. Rao	Member-Non Executive Director	4

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:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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;
- 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;
- That your Directors have prepared the annual accounts on a going concern basis;
- 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.
- 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.

NUMBER OF MEETINGS OF BOARD:

During the year four Board Meetings were duly convened on 24.05.2014, 09.08.2014, 10.11.2014 and 09.02.2015 respectively 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;

SN. Name of the Member	Designation	No. of Meeting Attended
1. Shri Biswajit Choudhuri	Chairman-Independent Director	4
2. Shri Narayan Prasad Agrawal	Managing Director	3
3. Shri Bhrgunath Ojha	Member-Independent Director	4
4. Shri Arbind Kumar Dubey	Member –Executive Director	4
5. Shri Yarra Chandra Rao	Member-Non Executive Director	4

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 2014-15.

Internal Auditors

M/s. JDS & Co, Chartered Accountants were appointed as Internal Auditors for the FY 2014-15.

AUDITOR'S REPORTS

There are no qualifications, reservations, adverse remarks or disclaimers in the statutory Auditor's Report on the Financial Statements of the company for the financial year 2014-15 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

All related party transactions that were entered into by the Company during the financial year 2014-15 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). 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 :-

a) 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
b) 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		Not Applicable
Whether imported technology fully absorbed		Not Applicable
Area where absorption of imported technology has not taken place if any		Not Applicable
c) Foreign Exchange Earning/Outgo		
Earning		595.90 Lacs
Outgo		2464.66 Lacs

During the year under review your company has used foreign exchange of ₹ 101.06 Lacs (previous year ₹ 132.48 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- A.

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 the Board of Directors of the Company has re-constituted the Committee and changed the nomenclature of Remuneration Committee as "Nomination & Remuneration Committee" on 24th May, 2014 and the composition of the Committee are as under:

Sl. No.	Name of the Member	Designation	No. of Meeting Attended
1.	Shri Bhrgunath Ojha	Chairman-Independent Director	1
2.	Shri Biswajit Choudhuri	Member-Independent Director	1
3.	Shri Narayan Prasad Agrawal	Member - Managing Director	1
4.	Shri Y. C. Rao*	Member-Non Executive Director	NA

*Shri Y.C. Rao, Non Executive Director inducted as member of committee in place of Shri Narayan Prasad Agrawal, Member of the Committee w.e.f. 24th May, 2014.

During the year committee meeting was held on 23rd May, 2014 and all the members were attended the meeting.

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-B.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors of the Company in its meeting held on 24th May, 2014 has changed the nomenclature of Investor Grievance Committee and rechristened the said committee as Stakeholders Relationship Committee" as per the requirement of Companies Act, 2013. 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 four Board Meetings were duly convened on 23.05.2014, 08.08.2014, 10.11.2014 and 09.02.2015 respectively 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;

SN.	Name of the Member	Designation	No. of Meeting Attended
1.	Shri Bhrgunath Ojha	Chairman-Independent Director	4
2.	Shri Biswajit Choudhuri	Member-Independent Director	4
3.	Shri Y. C. Rao	Member-Non Executive Director	4

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 2014-15.

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

Raipur, 10.08.2015

**Biswajit Choudhuri
Chairman**

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2015

[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 Compond, L.B.S Marg Bhandup (West), Mumbai, 400078 Ph. No. 022-25963838 Email : rnt.helpdesk@linkintime.co.in

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	83.31%
2	Generation of Electricity	40102	15.24%

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.	Godawari Power & Ispat Limited	L27106CT1999PLC013756	Holding	51.26%	2(87)
2.	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	
A. Promoters									
(1) Indian									
a) Individual/HUF	478782	0	478782	2.44	478782	0	478782	2.44	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	11747500	0	11747500	59.97	16122033	0	16122033	82.31	22.34
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other/PAC	1988000	0	1988000	10.15	1988000	0	1988000	10.15	0
Sub-total (A) (1):-	14214282	0	14214282	72.56	18588815	0	18588815	94.90	22.34
(2) Foreign									
a) NRIs - Individuals	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	
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	14214282	0	14214282	72.56	18588815	0	18588815	94.90	0
B. Public Shareholding									
1. Institutions									
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
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	1402956	67500	1470456	7.51	101410	67500	168910	0.86	(6.65)
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	899890	106300	1006190	5.14	469856	100331	570187	2.91	2.23
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2382475	0	2382475	12.16	243444	0	243444	1.24	(10.92)
c) Others	0	0	0	0	0	0	0	0	0
i) Clearing Member	392994	0	392994	2.01	2180	0	2180	0.01	(2.00)
ii) Trust	0	0	0	0	0	0	0	0	0
iii) NRI (Repate)	18323	0	18323	0.09	9288	0	9288	0.05	(0.04)
iv) NRI (Non Repate)	6176	0	6176	0.03	5676	0	5676	0.03	0
v) other Director	97604	0	97604	0.50	0	0	0	0	(0.50)
Sub-total (B)(2):-	5200418	173800	5374218	27.44	831854	167831	999685	5.10	(22.34)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5200418	173800	5374218	27.44	831854	167831	999685	5.10	(22.34)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	19414700	173800	19588500	100.00	19420669	167831	19588500	100.00	0

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
		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	10041000	51.26	0	0
2	Hira Infra-Tek Limited	0	0	0	4374533	22.34	0	22.34
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	265782	1.36	0	0
8	Hanuman Prasad Agrawal	105000	0.54	0	105000	0.54	0	0
9	Bajrang Lal Agrawal	104000	0.53	0	104000	0.53	0	0
10	Dinesh Agrawal	1078000	5.50	0	1078000	5.50	0	0
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	181500	0.93	0	0
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	4500	0.02	0	0
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	1000	0.01	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
Total		14214282	72.56	0	18588815	94.90	0	22.34

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 Co.	
1	At the beginning of the year	14214282	72.56	14214282	72.56	
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):					
	04.07.2015	Acquisition pursuant to the provisions of Chapter III of the Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2009	3962999	20.23	18177281	92.80
	15.09.2014		147458	0.75	18324739	93.55
	15.09.2014		15824	0.08	18340563	93.63
	05.11.2014		5494	0.03	18346057	93.66
	05.11.2014		174878	0.89	18520935	94.55
	05.12.2014		20101	0.10	18541036	94.65
	11.12.2014		16001	0.08	18557037	94.73
	22.01.2015		12680	0.06	18569717	94.80
	20.02.2015		4043	0.02	18573760	94.82
	18.03.2015		14995	0.08	18588755	94.90
3	At the End of the year	18588815	94.90	18588755	94.90	

C. Change in Promoters' 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
1	SANJIV AGRAWAL					
A	At the beginning of the year					
	As on 01.04.2014		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):					
	NA	NA	NIL	NIL	NIL	NIL
C	As on 31.03.2015		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
2	VINOD K NAYAR					
A	At the beginning of the year					
	As on 01.04.2014		88898	0.45	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):					
	09.05.2014	Transfer	1000	0.01	87898	0.45
	23.05.2014	Transfer	3137	0.02	84761	0.43
	30.05.2014	Transfer	390	0.00	84371	0.43
	13.06.2014	Transfer	10000	0.05	74371	0.38
	20.06.2014	Transfer	862	0.00	73509	0.38
C	At the End of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2015		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
3	DALAL STREET FINANCE COMPANY LIMITED				
A	At the beginning of the year				
	As on 01.04.2014	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
C	As on 31.03.2015	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	TURNKEY DEALERS PRIVATE LIMITED				
A	At the beginning of the year				
	As on 01.04.2014	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 31.03.2015	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	ARKOSHA TRADING & INVESTMENTS PRIVATE LTD.				
A	At the beginning of the year				
	As on 01.04.2014	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):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2015	20250	0.10	20250	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	MANIBEN UGRABHAI PATEL				
A	At the beginning of the year				
	As on 01.04.2014	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):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2015	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
7	BIMLA DEVI RATHI				
A	At the beginning of the year				
	As on 01.04.2014	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):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2015	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
8	PADMARAJ INVESTMENT TRADING CO. PRIVATE LTD				
A	At the beginning of the year				
	As on 01.04.2014	15000	0.08	15000	0.08
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 31.03.2015	15000	0.08	15000	0.08

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
9	SMITA JAGANNATH CHAKRAVARTI				
A	At the beginning of the year				
	As on 01.04.2014	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 31.03.2015	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	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10A	JATIN VIRENDRA DOSHI VIRENDRA BHUPATRAI DOSHI DIVYA VIRENDRA DOSHI				
A	At the beginning of the year				
	As on 01.04.2014	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):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2015	10000	0.05	10000	0.05

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
10B	ANIKET RAJESH SHAH				
A	At the beginning of the year				
	As on 01.04.2014	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):				
	NA	NA	NIL	NIL	NIL
C	As on 31.03.2015	10000	0.05	10000	0.05

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
A	NARAYAN PRASAD AGRAWAL – MANAGING DIRECTOR - KMP				
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):				
3	At the End of the year	265782	1.36	265782	1.36
B.	SHRI YARRA CHANDRA RAO – DIRECTOR				
1	At the beginning of the year	97604	0.49	97604	0.49
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):				
		09.06.2014	(97604)	(0.49)	0.00
		Shares Tendered/ Transferred under Voluntary Delisting Offer			
3	At the End of the year	0.00	0.00	0.00	0.00
C	SHRI ARBIND KUMAR DUBEY – WHOLE TIME DIRECTOR- KMP				
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):				
3	At the End of the year	0.00	0.00	0.00	0.00
D	SHRI BISWAJIT CHOUDHURI – INDEPENDENT DIRECTOR				
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):				
3	At the End of the year	0.00	0.00	0.00	0.00
E	SHRI BHRIGU NATH OJHA - INDEPENDENT DIRECTOR				
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

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
3	At the End of the year	0.00	0.00	0.00	0.00
1	At the beginning of the year	0.00	0.00	0.00	0.00
F	SHRI DILIP CHAUHAN – CFO – KMP				
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
G	SHRI MOHIT CHANDE – CS – KMP				
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

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	4286.40	0	0	4286.40
ii) Interest due but not paid	39.67	0	0	39.67
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	4326.07	0	0	4326.07
Change in Indebtedness during the financial year				
· Addition (including interest)	0	237.11	0	237.11
· Reduction	1284.71	220.00	0	1504.71
Net Change	(1284.71)	17.11	0	(1267.60)
Indebtedness at the end of the financial year				
i) Principal Amount	3011.53	15.85	0	3027.38
ii) Interest due but not paid	29.83	1.26	0	31.09
iii) Interest accrued but not due	0	0	0	0.00
Total (i+ii+iii)	3041.36	17.11	0	3058.47

I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs in Lacs)

Sl No.	Particulars of Remuneration	Narayan Prasad Agrawal (MD)	Arbind Kumar Dubey (WTD)	Total Amount (In Rs.)
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) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act,	42.00	15.84	57.84
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission - as % of profit - others, specify...	NA NA NA	NA NA NA	NA NA NA
5	Others, please specify Total (A)	42.00	15.84	57.84
	Ceiling as per the Act	Rs.15008918 being 10% of Net Profit calculated as per provisions of Sec. 197 & 198 of the Companies Act, 2013.		

B. Remuneration to other directors:

(Rs in Lacs)

Sl. 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 Total (1)	1.10 NA NA 1.10	1.10 NA NA 1.10	1.00 NA NA 1.00	3.20 NIL NIL 3.20
2	· Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify Total (2) Total (B)=(1+2)	NA NA NA NIL 1.10	NA NA NA NIL 1.10	NA NA NA NIL 1.00	NIL NIL NIL NIL 3.20
	Total Managerial Remuneration Overall Ceiling as per the Act	Rs.1500892 being 1% of Net Profit calculated as per provisions of Sec. 197 & 198 of the Companies Act, 2013.			

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

(Rs 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	9.47	12.23	21.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA	NIL
	(c) Profits in lieu of salary under section 17(3) 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
	- others, specify...	NA	NA	NIL
5	Others, please specify	NA	NA	NIL
	Total	9.47	12.23	21.70

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)
A. COMPANY					
PENALTY					
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
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 means 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 2015, 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. 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 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 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 31 March 2015;
- (ii) in the case of the statement of profit and loss, of the profit 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in 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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. 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) In our opinion and according to the explanations given to us, the company has not entered into 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, 15th May, 2015

Annexure

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
- (ii) (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the company, we are of the opinion that, the company is maintaining proper records of inventory. 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 loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the companies Act, 2013.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth 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 following-
- (iv) In our opinion and according to the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the company has not taken any deposits from public; therefore the provisions of clause 4(v) of the Companies (Auditor's Report) Order, 2015 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 regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth 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 2015 for a period of more than six months from the date they became payable.

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
C.G. Commercial Tax Act, 1994	Demand of Entry Tax for the F.Y. 2008-09	17.54*	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. 2010-11	7.57*	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 raised of CENVAT Credit availed on Inputs for the period from Aug.2012 to Nov. 2012.	0.91	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Demand raised of CENVAT Credit availed on Inputs for the period from Dec.2008 to Aug. 2009.	16.44	The Commissioner (Appeal) Central Excise, Custom, & Service Tax, Raipur
Central Excise Act, 1944	Demand raised of Service Tax Credit on quantity of Coal & Manganese Ore removed as such for the period from June 2013 to March 2014	0.55	The Commissioner (Appeal) Central Excise, Custom, & Service Tax, Raipur
Central Excise Act, 1944	Demand raised of Service Tax Credit on quantity of Coal removed as such for the period from June 2013 to March 2014	1.61	The Commissioner (Appeal) Central Excise, Custom, & Service Tax, Raipur
Central Excise Act, 1944	Demand raised of CENVAT Credit availed on Inputs for the period from Dec. 2012 to Oct. 2013.	5.91	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.)
Chhattisgarh Upkar Adhiniyam 1981	Energy Development Cess	1328.29	Supreme Court

* Net of amount deposited under protest or otherwise.

- (c) According to the information and explanations given to us, amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder have been transferred to such fund within time.
- (viii) In our opinion and according to information and explanations given to us, the company does not have any accumulated losses during the year. Further the company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the banks or financial institution.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
- (xi) In our opinion, the term loans have been applied progressively for the purpose for which the loans were obtained.
- (xii) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year. Therefore, the provisions of clause (xii) of the Companies (Auditor's Report) Order, 2015 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, 15th May, 2015

Balance Sheet as at 31st March, 2015

Particulars	Notes	2015 (₹ in lacs)	2014 (₹ in lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	1,958.85	1,958.85
Reserves and surplus	4	12,194.03	11,168.96
		14,152.88	13,127.81
Non-current liabilities			
Long-term borrowings	5	2,118.22	3,148.71
Deferred tax liability (net)	6	481.51	396.81
Long-term provisions	7	83.14	68.89
		2,682.87	3,614.41
Current liabilities			
Short-term borrowings	8	3,302.39	3,205.08
Trade payables	9	1,515.60	2,248.57
Other current liabilities	9	2,217.58	2,478.78
Short-term provisions	7	152.88	152.96
		7,188.45	8,085.38
TOTAL		24,024.20	24,827.61
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	10	11,065.29	11,626.31
Intangible assets	11	57.00	103.51
Capital work-in-progress		10.12	52.83
Non-current investments	12	2,254.25	1,207.54
Long-term loans and advances	13	247.94	303.47
Other non-current assets	14	80.56	67.08
		13,715.16	13,360.73
Current assets			
Current investments	15	21.26	75.90
Inventories	16	3,684.40	5,582.81
Trade receivables	17	1,363.88	1,478.30
Cash & bank balances	18	282.77	510.90
Short-term loans and advances	13	4,925.79	3,794.53
Other current assets	14	30.93	24.43
		10,309.04	11,466.87
TOTAL		24,024.20	24,827.61
Summary of significant accounting policies	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 : 15.05.2015

(N. P. AGRAWAL)
Managing Director

(MOHIT CHANDE)
Company Secretary

(ARVIND DUBEY)
Director

(DILIP CHOUHAN)
CFO

Statement of Profit & Loss for the year ended 31st March, 2015

	Notes	2015 (₹ in lacs)	2014 (₹ in lacs)
INCOME			
Revenue from operations (gross)	19	18,956.75	23,069.54
Less: Excise duty		1,494.59	1,793.78
Revenue from operations (net)		17,462.16	21,275.77
Other Income	20	4,081.47	100.65
TOTAL REVENUE (I)		21,543.63	21,376.42
EXPENDITURE			
Cost of raw material and component consumed	21	13,972.25	13,729.40
Purchase of Traded Goods	22	271.58	1,799.35
(Increase/decrease in inventories of finished goods)	22	74.65	(105.88)
Employees benefits expenses	23	907.70	886.27
Other Expenses	24	3,134.86	3,011.48
Depreciation and amortization expenses	25	962.24	860.68
Finance costs	26	719.47	766.58
TOTAL EXPENDITURE (II)		20,042.74	20,947.88
Profit before tax		1,500.89	428.54
Tax expenses			
Current tax		326.85	85.70
Deferred Tax		84.70	154.98
MAT Credit Entitlement		(76.47)	(85.74)
Wealth Tax		0.50	1.00
Tax related to earlier year		(1.35)	1.76
Total tax expenses		334.22	157.69
Profit for the year from continuing operations		1,166.67	270.85
Earnings per equity share [nominal value of share	27		
@ ₹ 10/- (31st March, 2014" ₹ 10]			
Basic		5.96	1.38
Diluted		5.96	1.38
Summary of significant accounting policies	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 : 15.05.2015

(N. P. AGRAWAL)
Managing Director

(MOHIT CHANDE)
Company Secretary

(ARVIND DUBEY)
Director

(DILIP CHOUHAN)
CFO

Cash Flow Statement for the year ended 31st March, 2015

	2015 (₹ in lacs)	2014 (₹ in lacs)
Cash Flow from operating activities		
Profit before tax from continuing operations	1,500.89	428.54
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	962.24	860.68
Loss/(profit) on sale of fixed assets	(16.66)	(30.78)
Share of Loss/(profit) of LLP	0.02	0.12
Provision for gratuity	21.84	16.89
Provision for doubtful debts	65.67	-
Net (gain) on sale of investments	(3,944.92)	-
Interest Expenses	719.47	766.58
Interest Income	(66.76)	(54.74)
Dividend Income	(0.01)	(0.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(758.22)	1,987.29
Movements in working capital :	-	-
Increase/(decrease) in trade payables	(732.97)	(1,766.26)
Increase/(decrease) in other current liabilities	(261.20)	932.79
Decrease/(increase) in trade receivables	180.09	882.64
Decrease/(increase) in inventories	1,898.41	(2,323.00)
Decrease/(increase) in long-term loans and advances	55.53	(36.14)
Decrease/(increase) in short-term loans and advances	(1,022.33)	(137.33)
Decrease/(increase) in other current assets	(6.50)	48.16
Decrease/(increase) in other non-current assets	(4.27)	(32.80)
Cash generated from/(used in) operations	(651.46)	(444.64)
Direct taxes paid	(501.59)	(77.14)
Net Cash flow from/(used in) operating activities	(1,153.04)	(522)
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets and CWIP	(323.96)	(214.43)
Purchase of Redeemable Preference Share	(1,550.00)	-
Proceeds from sale of fixed assets	28.62	118.75
Proceeds from sale of current investments	4,502.85	-
Investments in bank deposits (having original maturity of more than three months)	84.20	42.21
Interest received	66.76	54.74
Dividends received	0.01	0.00
Net cash flow from/(used in) investing activities	2,808.47	1.28

	2015 (₹ in lacs)	2014 (₹ in lacs)
Cash flows from financing activities		
Proceeds / (Repayment) from long-term borrowings	(1,030.49)	244.66
Proceeds / (Repayment) from short-term borrowings	97.31	(726.47)
Interest paid	(719.47)	(766.58)
Dividends paid on equity shares	(117.53)	(117.53)
Tax on equity dividend paid	(19.97)	(19.97)
Net cash flow from/(used in) financing activities	(1,790.15)	(1,385.89)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(134.73)	(1,906.39)
Cash and Cash Equivalents at the beginning of the year	179.87	2,086.26
Cash and Cash Equivalents at the end of the year	45.14	179.87
Components of cash and cash equivalents		
Cash in hand	12.41	25.12
Deposits with original maturity for less than 3 months	-	80.00
With banks- on current account	26.32	68.85
- on unpaid dividend account*	6.41	5.90
	45.14	179.87

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 : 15.05.2015

(N. P. AGRAWAL)
Managing Director

(MOHIT CHANDE)
Company Secretary

(ARVIND DUBEY)
Director

(DILIP CHOUHAN)
CFO

Notes to financial statements for the year ended 31st March, 2015

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:

	Rates (SLM)
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.

i) 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.

	2015 (₹ in lacs)	2014 (₹ in lacs)
3. Share capital		
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	2015		2014	
	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,2015, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.60 (31st March,2014 : ₹ 0.60)

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 (P.Y.10041000) Equity Shares of the company have been held by M/s Godawari Power & Ispat Limited, the holding company.

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:

	2015		2014	
	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	10041000	51.26	10041000	51.26
Mr. Dinesh Agrawal	1078000	5.50	1078000	5.50
M/s Hira Infra-tek Limited	4374533	22.33	-	-
	<u>15493533</u>	<u>79.10</u>	<u>11119000</u>	<u>56.76</u>

	2015 (₹ in lacs)	2014 (₹ in lacs)
4. Reserves and Surplus		
Capital Reserve		
Balance as per last financial statements	20.00	20.00
	<u>20.00</u>	<u>20.00</u>
Securities Premium Reserve		
Balance as per last financial statements	10.42	10.42
	<u>10.42</u>	<u>10.42</u>
General Reserve		
Balance as per last financial statements	1,098.01	948.01
Add: Amount transferred from surplus balance in the statement of profit and loss	150.00	150.00
	<u>1,248.01</u>	<u>1,098.01</u>
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	10,040.53	10,057.19
Profit for the year	1,166.67	270.85
Less : Appropriations		
Proposed final equity dividend (Amount per share ₹ 0.60 (31 March 2014: ₹ 0.60))	117.53	117.53
Tax on proposed equity dividend	24.07	19.97
Transfer to general reserve	150.00	150.00
Total appropriations	<u>291.60</u>	<u>287.51</u>
Net surplus in the statement of profit and loss	<u>10,915.60</u>	<u>10,040.53</u>
Total reserves and surplus	<u>12,194.03</u>	<u>11,168.96</u>

5. Long-term borrowings

	Non-current portion		Current maturities	
	2015 (₹ in lacs)	2014 (₹ in lacs)	2015 (₹ in lacs)	2014 (₹ in lacs)
Term Loans				
Indian rupee loan from banks (secured) including FCNRB facility	2,118.22	3,137.93	922.55	1,179.31
Other loans and advances				
From financial institutions (secured)	-	0.66	0.60	8.16
Deferred sales tax loan (unsecured)	-	10.11	-	20.92
	<u>2,118.22</u>	<u>3,148.71</u>	<u>923.15</u>	<u>1,208.39</u>
The above amount includes				
Deferred sales tax loan (unsecured)	-	10.11	-	20.92
Secured borrowings	2,118.22	3,138.60	923.15	1,187.47
Amount disclosed under the head "other current liabilities" (note 8)			(923.15)	(1,208.39)
Net amount	<u>2,118.22</u>	<u>3,148.71</u>	<u>-</u>	<u>-</u>

a) The term loans (both rupee and foreign currency) aggregating to ₹ 3040.77 lacs (Previous year ₹ 4317.24 lacs) (including current maturities of ₹ 922.55 lacs (Previous year ₹ 1179.31 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 ₹ 0.60 lacs(P.Y.₹ 8.82 lacs) (including current maturities of ₹ 0.60 lacs(P.Y.₹ 8.26 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	922.55	776.09	692.67	600.00	49.46
Other Loans & Advances	0.60	-	-	-	-

6. Deferred Tax Liability (Net)	2015 (₹ in lacs)	2014 (₹ in lacs)
Deferred Tax Laibilities		
Fixed Assets: Impact of differences between tax depreciation and depreciation / amortization charged for the financial reportings	541.02	550.58
Gross deferred tax liability	541.02	550.58
Deferred Tax Assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for taxpurpose on payment basis	59.51	28.48
on Unabosorbed Short Term Capital Loss	-	0.03
On account of unabsorbed depreciation	-	125.26
Gross deferred tax asset	59.51	153.77
Net deferred tax laibility	481.51	396.81

7. Provisions	Long-term		Short-term	
	2015 (₹ in lacs)	2014 (₹ in lacs)	2015 (₹ in lacs)	2014 (₹ in lacs)
Provision for employee benefits				
Provision for gratuity (note.29)	83.14	68.89	10.78	3.19
	83.14	68.89	10.78	3.19
Other Provisions				
Provision for Income Tax (net)	-	-	-	11.27
Provision for Wealth Tax	-	-	0.50	1.00
Proposed equity dividend	-	-	117.53	117.53
Provision for tax on proposed equity dividend	-	-	24.07	19.97
	-	-	142.10	149.77
	83.14	68.89	152.88	152.96

8. Short-term borrowings	2015 (₹ in lacs)	2014 (₹ in lacs)
Cash Credit from banks (secured)	2,692.00	2,886.38
Bank Overdraft Facility	15.28	10.89
Buyers Credit facility in Foreign Currency (secured)	578.00	290.79
Loan and advances from related parties repayable on demand (unsecured)	17.11	-
Loan and advances from others repayable on demand (unsecured)	-	17.02
	3,302.39	3,205.08
The above amount includes		
Secured borrowings	3,285.28	3,188.06
Unsecured borrowings	17.11	17.02

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 ₹ 578.00 lacs (P.Y. ₹ 290.79 Lacs) are repayable after 180days 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.

9. Other Current Liabilities	2015 (₹ in lacs)	2014 (₹ in lacs)
Trade payables (including acceptances (refer note 33 for details of dues for micro and small enterprises)	1,515.60	2,248.57
Other liabilities		
Current maturities of long-term borrowings (note.5)	923.15	1,208.39
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	6.41	5.90
Provision for Renewal Purchase Obligation (REC)	455.19	321.19
Other payables	832.82	943.29
	2,217.58	2,478.78
	3,733.18	4,727.34

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 2013	448.83	71.75	207.73	1,522.60	29.70	11,608.92	1,944.55	6.64	18.62	59.17	89.51	102.43	217.79	247.55	12.87	16,588.65
Additions	27.59	-	2.06	55.00	-	87.08	34.62	-	-	0.26	4.47	0.28	4.64	-	4.50	220.48
Disposals	48.08	-	-	-	-	51.08	-	-	-	-	-	-	3.76	-	-	102.92
At 31 March, 2014	428.34	71.75	209.78	1,577.60	29.70	11,644.91	1,979.17	6.64	18.62	59.43	93.97	102.71	218.67	247.55	17.37	16,706.21
Additions	42.63	-	-	133.98	14.99	43.52	20.66	-	14.14	1.11	1.80	39.74	31.64	54.10	-	366.67
Disposals	0.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31.99
At 31st 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
Depreciation																
At 1 April 2013	-	-	-	273.88	7.89	3,062.05	634.02	1.02	6.69	10.06	57.24	37.63	120.54	66.55	2.95	4,280.54
Charge for the year	-	-	-	50.90	0.99	612.86	94.50	0.29	0.88	7.49	12.28	1.83	18.36	13.22	0.72	814.32
Disposals	-	-	-	-	-	13.26	-	-	-	-	-	-	1.69	-	-	14.95
At 31 March, 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 31st 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
Net Block																
At 31 March, 2014	428.34	71.75	209.78	1,252.82	20.82	7,983.25	1,250.65	5.33	11.04	41.88	24.45	63.25	81.46	167.78	13.70	11,626.31
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

11. Intangible assets

	Goodwill	Computer software	Total
Gross Block			
At 1 April 2013	216.83	29.93	246.76
Purchase	-	1.50	1.50
At 31 March, 2014	216.83	31.43	248.26
Purchase	-	-	-
At 31st March, 2015	216.83	31.43	248.26
Amortization			
At 1 April 2013	86.73	11.67	98.40
Charge for the year	43.37	2.99	46.36
At 31 March, 2014	130.10	14.66	144.76
Charge for the year	43.37	3.14	46.51
At 31st March, 2015	173.46	17.80	191.27
Net Block			
At 31 March, 2014	86.73	16.77	103.51
At 31st March, 2015	43.37	13.63	57.00

12. Non-current investments	2015 (₹ in lacs)	2014 (₹ in lacs)
Trade Investments (valued at cost)		
Unquoted equity instruments, fully Paid up		
80100 (80100) Equity Shares of ₹ 10/- each in Hira Cement Ltd.	16.01	16.01
0 (1755000) Equity Shares of ₹ 10/- each in Maruti Clean Coal & Power Ltd	-	308.98
1330000 (1330000) Equity Shares of ₹ 10/- each in Earth Minerals Co Ltd	266.28	266.28
0 (285000) Equity Shares of ₹ 10/- each in Chhattisgarh Power & Coal Benification Ltd	-	185.86
10000 (10000) Equity Shares of ₹ 10/- each in Hira Energy Ltd	1.00	1.00
510 (510) Equity Shares of ₹ 10/- each in Vimla infrastructure (I) P. Ltd.	0.51	0.51
397000 (397000) Equity Shares of ₹ 10/- each in Alok Ferro Alloys Ltd	417.74	417.74
15500000 (0) Non Convertible non cummulative 0.01% Redeemable Preference Share of ₹ 10/- each in Maruti Clean Coal & Power Ltd	1,550.00	-
Investment in associates		
2004 (2004) Equity Shares of ₹ 10/- each in Active Chemical Pvt. Ltd.	2.72	2.72
Investment in Partnership Firm:		
Name of the Partners		
- Vinay Green Energy LLP	-	4.22
- Kumar ECO Power LLP	-	4.23
	2,254.25	1,207.54

13. Loans and advances (unsecured, considered good)	Non-current		Current	
	2015 (₹ in lacs)	2014 (₹ in lacs)	2015 (₹ in lacs)	2014 (₹ in lacs)
Capital advances	-	37.99	-	-
Security deposit	247.94	265.48	19.50	-
Advances recoverable in cash or in kind			1,477.56	935.87
Other loans and advances				
MAT Credit Entitlement			1,375.20	1,298.72
Advance income-tax (net of provision)			152.56	120.10
Inter Corporate Deposit			1,570.00	-
Loan to Body Corporates			16.84	-
Prepaid expenses			18.47	10.43
Balance with statutory/govt. authorities			295.68	1,429.39
Total	247.94	303.47	4,925.79	3,794.53

14. Other assets				
Unsecured, considered good unless stated otherwise				
Margin money deposit :				
Non-current bank balances (note-18)	59.82	50.62		
Others				
Interest accrued on fixed deposits	20.73	16.46	28.51	20.31
others	-	-	2.43	4.12
	80.56	67.08	30.93	24.43

15 Current investments (valued at lower of cost and fair value, unless stated otherwise)	2015		2014	
	(₹ in lacs)		(₹ in lacs)	
Non-trade investments				
Investment in equity instruments (Quoted)				
264 (264) Equity Shares of ₹ 10/- each in Capital First Ltd.	2.02		2.02	
172893 (352893) Equity Shares of ₹ 10/- each in Sunflag Iron & Steel Co. Ltd	19.24		43.88	
Investment in mutual fund (unquoted)				
0 (50000) Units of ₹ 10/- each in SBI Infrastructure Fund (G)	-		5.00	
0 (250000) Units of ₹ 10/- each in Axis Equity Fund (G)	-		25.00	
	21.26		75.90	
Agreegate Amount of quoted investments	21.26		45.90	
Agreegate Market Value of quoted investments	41.69		71.54	
Agreegate Amount of unquoted investments	-		30.00	
Agreegate Market Value of unquoted investments	-		33.94	
16 Inventories (valued at lower of cost and net realizable value)				
Raw Materials and components (includes in-transit ₹ 49075000/- (P.Y. ₹ 16053029/-) (Refer Note-21)	2,676.28		4,538.14	
Traded goods (Refer Note-22)	22.57		-	
Finished goods (Refer Note-22)	469.97		567.19	
By Product (Refer Note-22)	0.02		0.02	
Stores & spares	515.56		477.46	
	3,684.40		5,582.81	
17 Trade receivables			Current	
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered good	37.52		115.12	
Doubtful	65.67		-	
	103.19		115.12	
Provision for doubtful receivables	65.67		-	
	37.52		115.12	
Other receivables				
Considered good*	1,326.36		1,363.18	
	1,326.36		1,363.18	
Total	1,363.88		1,478.30	
* Other receivable includes due from holding company of ₹10215653/- (P.Y. ₹ 35924200/-)				
18. Cash and bank balances	Non-current		Current	
	2015	2014	2015	2014
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Cash and cash equivalents				
Cash in hand			12.41	25.12
Balances with banks:				
On current accounts			26.32	68.85
Deposits with original maturity for less than 3 months			-	80.00
On unpaid dividend account *			6.41	5.90
			45.14	179.87
Other bank balances				
Margin money deposit :				
Deposits with original maturity for more than 12 months	59.82	50.62	-	-
Deposits with original maturity for more than 3 months but less than 12 months			237.62	331.02
	59.82	50.62	237.62	331.02
Amount disclosed under non-current assets (note-14)	59.82	50.62		
	-	-	282.77	510.90

Margin money deposits given as security

Margin money deposits with a carrying amount of ₹ 297.44 lacs (31st March 2014: ₹ 461.64 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.

19. Revenue from operations	2015 (₹ in lacs)	2014 (₹ in lacs)
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	15,784.97	17,636.15
Electricity	2,887.55	3,584.00
Traded Goods	274.22	1,802.41
Other operating revenue		
Scrap sales	10.00	28.38
Export Licence Sale	-	18.61
Revenue from operations (gross)	18,956.75	23,069.54
Less: Excise duty#	1,494.59	1,793.78
Revenue from operations (net)	17,462.16	21,275.77
# Excise duty on sales amounting to ₹ 1494.59 lacs (31st March, 2014: ₹ 1793.78 lacs) has been reduced from sale in profit & loss account and excise duty on increase/(decrease) in stock amounting to (₹ 10.17 lacs) (31st March, 2014: ₹ 11.65 lacs) has been considered as (income)/expense in note 24 of financial statements.		
Details of products sold	2015 (₹ in lacs)	2014 (₹ in lacs)
Finished Goods and by-products Sold		
Ferro Alloys		
-Domestic	15,188.26	17,226.46
-Export	595.91	408.93
Electricity	2,887.55	3,584.00
By-Products & Others	0.80	0.76
Traded Goods Sold		
H.B.Wire	-	32.96
M.S.Round in Coil	-	1,327.07
Coal	274.22	-
Waste & Scrap	-	19.65
TMT Bar	-	264.84
Butt Welding	-	79.43
Silico Manganese	-	78.45
	18,946.75	23,022.56
20. Other Income	2015 (₹ in lacs)	2014 (₹ in lacs)
Interest Income on		
Bank Deposits	34.37	33.81
Others	32.39	20.93
Dividend Income on Current investments	0.01	0.00
Net gain on sale of Investments	3,944.92	-
Net gain/(loss) on sale of fixed assets	16.66	30.78
Income from Duty Draw Back & FPS Licence	23.46	13.64
Other non-operating income	29.66	1.49
	4,081.47	100.65

21. Cost of raw material and components consumed

	2015 (₹ in lacs)	2014 (₹ in lacs)
Inventory at the beginning of the year	4,538.14	2,376.78
Add: purchases including procurement expenses (Net of Disposal)	12,110.39	15,890.77
	16,648.53	18,267.54
Less : Inventory at the end of the year (Stock in Transit ₹ 49075000/- (P.Y. ₹ 16053029/-))	2,676.28	4,538.14
Cost of raw material and components consumed	13,972.25	13,729.40
Details of raw material and components consumed		
Managnese Ore	5,675.71	5,288.86
Coal	6,060.73	6,112.22
Carbon Paste	357.30	472.43
HI Mno Slag	570.57	429.38
Rice Husk	939.19	1,150.18
Lancing Pipe	34.51	30.23
Others	334.25	246.10
	13,972.25	13,729.40
Details of Inventory Raw Material and Components		
Managnese Ore	1,572.64	3,123.13
Coal	899.73	968.94
Carbon Paste	29.62	29.01
HI Mno Slag	11.42	9.55
Rice Husk	89.94	49.97
Lancing Pipe	0.91	4.96
Others	72.01	352.58
	2,676.28	4,538.14

22. (Increase)/Decrease in Inventories

	2015 (₹ in lacs)	2014 (₹ in lacs)	(Increase)/Decrease (₹ in lacs)
			31st March, 2015
Inventories at the end of the year			
Finished goods and by-products*	469.99	567.21	97.22
Traded goods	22.57	-	(22.57)
	492.57	567.21	74.65
Inventories at the beginning of the year			31st March, 2014
Finished goods and by-products	567.21	461.33	(105.88)
	567.21	461.33	(105.88)
Net (increase)/decrease in inventories	74.65	(105.88)	

Details of purchase of traded goods

	2015 (₹ in lacs)	2014 (₹ in lacs)
H.B.Wire	-	32.89
M.S.Round in Coil	-	1,325.04
Coal	271.58	-
Butt Welding	-	79.33
Silico Manganese	-	78.00
Waste & Scrap	-	19.61
TMT Bar	-	264.47
	271.58	1,799.35
Traded goods		
Coal	22.57	-
	22.57	-
Details of Inventories Finished goods and by-products		
Ferro Alloys	469.94	567.16
Fly Ash Bricks	0.03	0.03
By-Products & Others	0.02	0.02
	469.99	567.21

23. Employee benefit expense	2015 (₹ in lacs)	2014 (₹ in lacs)
Salaries, wages and bonus	812.99	811.21
Contribution to provident and other fund	53.83	51.82
Gratuity Expense (Note 29)	34.84	20.17
Workmen and staff welfare expenses	6.03	3.07
	907.70	886.27
24. Other Expense		
Consumption of stores and spares	507.09	491.04
(Increase)/decrease of excise duty on inventory	(10.17)	11.65
Packing Material Consumed	56.70	48.65
Power & Fuel	955.54	786.70
Water Charges	65.16	7.32
Material Handling & other manufacturing expenses	383.68	378.34
Insurance	13.41	13.11
Repairs and maintenance		
- Plant and machinery	239.22	195.46
- Buildings	94.15	40.00
- Others	31.38	48.46
Rebate, shortage claims & other deductions	4.98	64.96
Commission		
- Other than Sole selling agents	42.43	40.28
Travelling and conveyance	21.86	29.14
Communication expenses	17.39	17.53
Printing and stationery	4.53	5.32
Legal and professional fees	58.60	37.99
Directors' sitting fees	3.20	1.12
Directors' remuneration	57.84	55.33
Payment to Auditor (Refer details below)	4.40	4.40
Security service charges	43.67	43.00
Loss on foreign exchange transactions (net) exchange differences (net)	104.19	99.22
Premium on Foreign Exchange Contract	104.35	158.16
Renewal Purchase Obligation (RPO)	134.00	184.48
Share of Loss on Limited Liability Partnership	0.02	0.12
Provision for Doubtful Debts	65.67	-
Miscellaneous expenses	131.59	249.68
	3,134.86	3,011.48
Payment to Auditor		
As auditor :		
Audit fee	4.15	4.15
Tax Audit fee	0.25	0.25
	4.40	4.40
25. Depreciation and amortization expense		
Depreciation on tangible assets	915.73	814.32
Amortization of intangible assets	46.51	46.36
	962.24	860.68

26. Finance Costs	2015 (₹ in lacs)	2014 (₹ in lacs)
Interest		
- on term loans	374.66	351.27
- on working capital	233.99	251.52
- on others	24.54	52.55
Bank charges	86.28	111.24
	719.47	766.58

27. Earnings per share (EPS)		
Net profit/(loss) as per statement of profit and loss	1,166.67	270.85
Net profit/(loss) for calculation of basic EPS & Diluted EPS	1,166.67	270.85
Weighted average number of equity shares in calculating Basic EPS	19588500	19588500
Weighted average number of equity shares in calculating Diluted EPS	19588500	19588500
Basic & Diluted EPS		
- Basic earning per share	5.96	1.38
- Diluted earning per share	5.96	1.38

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

- I. Central Excise Duty ₹ 20.41 lakhs (Previous Year ₹ 12.75 lakhs)
CST/VAT/Entry Tax ₹ 68.53 lakhs (Previous Year ₹ 55.99 lakhs)
Custom Duty ₹ 153.06 lakhs (Previous Year ₹ 153.06 lakhs)
Income Tax Nil (Previous Year ₹ 11.98 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 ₹ 243.06 lacs (P.Y.264.54 lacs).
- III. Disputed energy development cess demanded by the Chief Electrical Inspector. Govt of Chhattishgarh ₹ 1328.29 Lacs (P.Y. ₹ 1196.76 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.

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) 2015	₹ in Lacs (Gratuity) 2014
Current Service cost	13.88	12.51
Interest cost on benefit obligation	6.64	5.73
Expected return on plan assets	0.00	0.00
Net actuarial loss/(gain) recognised in the year	14.32	1.94
Past service cost	0.00	0.00
Actual return on plan assets	34.84	20.17

	₹ in Lacs (Gratuity) 2015	₹ in Lacs (Gratuity) 2014
Balance Sheet details of provision for Gratuity		
Defined benefit obligation	93.92	72.08
Fair value of plan assets	0.00	0.00
	93.92	72.08
Less : Unrecognised past service cost	0.00	0.00
Plan liability	93.92	72.08
Changes in the present value of the defined benefit obligation are as follows :		
Defined benefit obligation as at April 1, 2014	72.08	55.19
Interest cost	6.64	5.73
Current Service Cost	13.88	12.51
Benefits paid	(13.00)	(3.28)
Actuarial losses on obligation	14.32	1.94
Defined benefit obligation as at March 31, 2015	93.92	72.08

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 :

	2015	2014
Discount Rate	8.00%	8.25%
Increase in Compensation cost	5.00%	5.00%
Expected average remaining working lives of employee (years)	21.19	21.87

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	
	2015	2014
Provident Fund	40.94	33.41

- 30** The company has charged depreciation on remaining life of the fixed assets based on the remaining life of the fixed assets based on Schedule-II of the Companies Act, 2013 which have made effective from 01.04.2014. Consequently the depreciation for the year is increased by ₹ 87.38 lacs which is inclusive of ₹ 58.45 lacs related to those assets whose remaining life were nil as on 01.04.2014 as per the transitional provision of Schedule-II.

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		2014-15	2013-14
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14		
A) REVENUE								
External Sales	14302.51	15888.60	2889.54	3584.75	270.11	1802.41	17462.16	21275.77
Inter Segment Sales	0.00	0.00	5709.46	6074.83	0.00	0.00	5709.46	6074.83
Total Segment Revenue	14302.51	15888.60	8599.00	9659.59	270.11	1802.41	23171.62	27350.60
Less: Eliminations	0.00	0.00	5709.46	6074.83	0.00	0.00	5709.46	6074.83
Net Revenue	14302.51	15888.60	2889.54	3584.75	270.11	1802.41	17462.16	21275.77
B) RESULTS								
Segment Operational Profit								
Ferro Alloys Segment							(2573.02)	(578.20)
Power							833.46	1784.33
Trading							9.30	1.88
Total Segment Result							(1730.26)	1208.01
Un-allocable Income							4011.68	43.68
Interest Expenses							(719.47)	(766.58)
Un-allocable Expenses							(61.06)	(56.57)
Net Tax Expense							(334.22)	(157.69)
Net Profit							1166.67	270.85
C) OTHER INFORMATION								
Segment Assets								
Ferro Alloys Segment							10328.01	12763.36
Power							11150.60	10612.82
Trading							2.03	21.67
Total Segment Assets							21480.64	23397.85
Un-allocable Assets							2543.55	1429.76
Total Assets							24024.20	24827.61
Segment Liabilities and Provisions								
Ferro Alloys Segment							8788.60	8417.47
Power							926.87	3105.83
Trading							7.32	20.82
Total Liabilities and Provisions							9722.80	11544.12
Un-allocable Liabilities and Provisions							148.51	155.67
Total Liabilities and Provisions							9871.31	11699.79
Capital Expenditure							323.96	214.43
Depreciation /Amortisation							962.24	860.68

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

- a) Holding Company**
- Godawari Power & Ispat Ltd.
- b) Subsidiary of Holding Company**
- Krishna Gobal Minerals Ltd
- Godawari Green Energy Ltd
- Ardent Steel Ltd
- c) Related Enterprises where control exist**
- Active Chemical Pvt. Ltd.
- Hira Foundation
- Vrindavan Realcon LLP
- Vinay Green Energy LLP
- Kumar Eco Power LLP
- Dinesh Realcon LLP
- d) Key Management Personnel**
- Mr. N. P. Agrawal, Managing Director
- Mr. Arvind Dubey, Director
- Mr. Dilip Chouhan, CFO
- Mr. Mohit Chande, CS

Transaction with related parties in the ordinary course of business

(₹ in lacs)

Nature of Transactions	2015	2014
a) Holding Company		
1. Purchase of Materials and Others	469.02	970.34
2. Purchase of Trading Goods	-	1,798.16
3. Sale of Goods	1,217.20	1,944.55
4. Sale of Trading Goods	-	1,114.33
5. Balance due from	102.16	359.16
b) Subsidiary of Holding Company		
1. Interest paid on loan - Krishna Gobal Minerals Ltd	-	0.13

Nature of Transactions	Related Enterprises where control exist		Key Managerial Personnel		Total	
	2015	2014	2015	2014	2015	2014
1. Directors Remuneration and Salary	-	-	79.54	63.51	79.54	63.51
2. Loans & Advances received during the year	15.85	-	220.00	897.00	235.85	897.00
3. Loans & Advances Taken repaid during the year	-	12.32	220.00	921.19	220.00	933.51
4. Interest Paid on Loans Taken	1.40	-	-	26.88	1.40	26.88
5. Balance Outstanding						
Accounts Receivable	-	5.34	-	-	-	5.34
Loan Payable	17.11	-	-	-	17.11	-

c) Details of Material Transaction with related parties	2015	2014
Remuneration Paid		-
Mr. N. P. Agrawal	42.00	42.00
Mr. Arvind Dubey	15.84	13.33
Mr. Dilip Chouhan	12.23	-
Mr. Mohit Chande	9.47	8.18
Loans & Advances Received during the year:		
Sri N.P.Agrawal	220.00	897.00
Active Chemical Pvt. Ltd.	15.85	-
Loans & Advances Taken Repaid during the year:		
Sri N.P.Agrawal	220.00	921.19
Interest Paid on Loans Taken		
Sri N.P.Agrawal	-	26.88
Active Chemical Pvt. Ltd.	1.40	-
Krishna Global Minerals Ltd.	-	0.13
Balance of Accounts Receivable		
Hira Foundation	-	5.34
Balance of Loans Payable		
Active Chemical Pvt. Ltd.	17.11	-

33. 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, 2015

	2015	2014
		(₹ in lacs)
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2015		
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, 2015	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, 2015	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.

34. Foreign Currency Exposure that are not hedged by derivative instruments or forward contracts as on 31.03.2015 amounts to ₹ 439.58 Lacs (PY. ₹ 290.79 lacs)

35. 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.

36. Value of import calculation on CIF Basis

	2015	2014
		(₹ in lacs)
Raw Materials		
- Managanese Ore	1,806.86	762.08
- Coal	556.74	550.06
	<u>2,363.60</u>	<u>1,312.13</u>

(₹ in lacs)

37. Expenditure in foreign currency	2015	2014		
-Financial Charges	67.62	127.99		
-Travelling and conveyance	-	3.80		
-Subscription Fees	-	0.70		
-Raw Material Handling Charges	33.45	-		
	101.06	132.48		
38. Earnings in foreign currency				
Exports at CIF Value	595.90	408.93		
	595.90	408.93		
39. Imported and Indigenous raw material & spare parts consumed				
	2015		2014	
	% of Total Consumption	(₹ in lacs)	% of Total Consumption	(₹ in lacs)
Raw Materials				
-Imported	10.53	1,471.11	6.65	913.55
-Indigenous	89.47	12,501.15	93.35	12,815.86
	100.00	13,972.25	100.00	13,729.41
Stores & Spares				
-Imported	-	-	-	-
-Indigenous	100.00	507.09	100.00	491.04
	100.00	507.09	100.00	491.04

40. 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 : 15.05.2015

(N. P. AGRAWAL)
Managing Director

(ARVIND DUBEY)
Director

(MOHIT CHANDE)
Company Secretary

(DILIP CHOUHAN)
CFO



HIRA FERRO ALLOYS

HIRA FERRO ALLOYS LIMITED

CIN: U27101CT1984PLC005837

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