

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF  
BALASORE ALLOYS LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **BALASORE ALLOYS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the year ended March 31, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. Without qualifying our review opinion :

a) We draw attention to Note no. 2 of the accompanying statement:

North Eastern Electricity Supply Company of Orissa Limited (NESCO) has raised total claim for Rs.17,616.94 Lacs as at 31<sup>st</sup> March, 2017 (Rs. 16,800.34 Lacs as at 31<sup>st</sup> March, 2016) (including delayed payment surcharge) net of Rs. 3,400 Lacs already paid by the company in earlier years. Pursuant to the Supreme Court Order, the dispute has been sent to Grievance Redressal Forum (GRF). Pending outcome of the decision of GRF and based on management discussion with legal counsel, no provision has been made towards above demand.

b) We draw attention to Note no. 3 of the accompanying statement :

Relating to payments and expenditure incurred towards implementation of long gestation project for underground mining. The company is in the process of making financial tie-ups for early implementation of project.



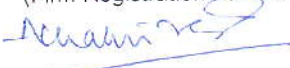
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associate and management certified statement of subsidiary referred to in paragraph 5 below, the Statement:
- a. Includes the results of entities as given below:  
**List of Subsidiaries:-**  
i. Milton Holdings Ltd.  
ii. Balasore Metals Pte. Ltd  
iii. Balasore Alloys Nigeria Limited
- List of Associates:-**  
i. Balasore Energy Limited
- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- c. gives a true and fair view in conformity with the aforesaid accounting standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the year ended March 31, 2017.

**Other Matter**

- 5.
- (i) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 3,057.74 lacs as at 31st March, 2017, total revenues of Rs. 6.71 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.0.47 lacs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of the other auditors
- (ii) We have relied on the unaudited financial statements in respect of one subsidiary whose financial statements reflects total assets of Rs. Nil as at 31st March, 2017 and total revenues of Rs. Nil for the year ended 31st March, 2017, as considered in consolidated financial statement. This unaudited financial statement have been furnished to us by the Management and our opinion on the statement, in so far as it relates to the amounts included in respect of this subsidiary is based solely on such unaudited financial statements certified by the management.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the reports of the other auditor and the financial statements certified by the management.

For **Chaturvedi & Shah**  
Chartered Accountants  
(Firm Registration no.-101720W)

  
**Amit Chaturvedi**  
Partner  
Membership No.: 103141



Place : Kolkata  
Date : May 19, 2017



**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF  
BALASORE ALLOYS LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **BALASORE ALLOYS LIMITED** ("the Company") for the year ended March 31, 2017 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone financial statements which has been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. Without qualifying our opinion :

- a) We draw attention to note no. 2 of the accompanying statement :

North Eastern Electricity Supply Company of Orissa Limited (NESCO) has raised total claim for Rs.17,616.94 Lacs as at 31<sup>st</sup> March , 2017 (Rs. 16,800.34 Lacs as at 31<sup>st</sup> March , 2016) (including delayed payment surcharge) net of Rs. 3,400 Lacs already paid by the company in earlier years. Pursuant to the Supreme Court Order, the dispute has been sent to Grievance Redressal Forum (GRF). Pending outcome of the decision of GRF and based on management discussion with legal counsel, no provision has been made towards above demand.

- b) We draw attention to Note no. 3 of the accompanying statement :

Relating to payments and expenditure incurred towards implementation of long gestation project for underground mining. The company is in the process of making financial tie-ups for early implementation of project.



5. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended March 31, 2017.
6. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us

For **Chaturvedi & Shah**  
Chartered Accountants  
Firm Reg. No.: 101720W



*Amit Chaturvedi*

**Amit Chaturvedi**  
Partner  
Membership No.: 103141

Place : Kolkata  
Date : May 19, 2017



**BALASORE ALLOYS LIMITED**

Regd. Office : Balgopalpur 756020 , Dist . Balasore , Odisha

Tel: +91-6782-275781-85, Fax:+91-6782-275724, e-mail: mail@balasorealloys.com, Website:www.balasorealloys.com,

CIN NO : L27101OR1984PLC001354

**AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2017**

(₹ in lacs)

PART I PARTICULARS	STANDALONE					CONSOLIDATED	
	Quarter ended			Year ended		Year ended	
	31.03.2017 Audited	31.12.2016 Unaudited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited
1. Income from operations							
a) Net Sales/Income from Operations (Net of Excise duty)	34,699.09	26,688.93	18,602.10	101,181.43	83,797.06	101,181.43	83,797.06
b) Other Operating Income	1,148.79	347.39	135.31	2,508.34	673.53	2,515.05	676.51
Total Income from Operations {1(a) +1(b)}	35,847.88	27,036.32	18,737.41	103,689.77	84,470.59	103,696.48	84,473.57
2. Expenses							
a) Cost of material consumed	10,283.62	7,994.84	4,773.31	29,306.40	26,316.16	29,306.40	26,316.16
b) Purchase of Stock - in- trade	-	-	-	-	826.73	-	826.73
c) Change in inventories of finished goods and work in progress	290.67	(239.44)	730.23	(523.04)	47.75	(523.05)	47.75
d) Power	7,249.60	7,146.59	6,379.21	27,840.68	25,530.61	27,840.68	25,530.61
e) Employee benefits expense	2,230.88	1,365.17	1,113.50	6,402.77	5,677.02	6,402.77	5,677.02
f) Depreciation and amortisation expense	582.13	590.46	453.18	2,280.05	2,225.95	2,280.05	2,225.95
g) Other Expenses	6,158.14	5,714.48	4,084.97	20,295.71	17,196.25	20,304.05	17,205.04
h) Finance Cost (Net)	1,449.90	960.22	910.95	3,934.22	3,151.37	3,934.25	3,151.37
Total Expenses {2(a) to 2(h)}	28,244.94	23,532.32	18,445.35	89,536.79	80,971.84	89,545.15	80,980.63
3. Profit from operations before Tax {1-2}	7,602.94	3,504.00	292.06	14,152.98	3,498.75	14,151.33	3,492.94
4. Tax Expense	3,002.97	1,219.73	512.34	5,200.99	1,629.66	5,200.99	1,629.66
5. Net Profit for the period {3-4}	4,599.97	2,284.27	(220.28)	8,951.99	1,869.09	8,950.34	1,863.28
6. Paid up equity share Capital ( Face value of the share : Rs. 5/- each )	4,444.52	3,944.52	3,944.52	4,444.52	3,944.52	4,444.52	3,944.52
7. Reserves (excluding Revaluation Reserves)				48,237.66	37,635.68	49,057.25	38,526.37
8. Earning Per Share(Face value of Rs. 5/- each) (Not annualised)							
(i) Basic	5.83	2.90	(0.28)	11.35	2.50	11.35	2.50
(ii) Diluted	5.46	2.77	(0.28)	10.63	2.50	10.63	2.50



**BALASORE ALLOYS LIMITED**

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CIN NO : L27101OR1984PLC001354

AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31ST MARCH, 2017

₹ in lacs

PARTICULARS	STANDALONE				CONSOLIDATED	
	Quarter ended		Year ended		Year ended	
	31.03.2017 Audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited
Total Income from Operations	35,847.88	18,737.41	103,689.77	84,470.59	103,696.48	84,473.57
Net Profit for the period before Tax	7,602.94	292.06	14,152.98	3,498.75	14,151.33	3,492.94
Net Profit for the period after Tax	4,599.97	(220.28)	8,951.99	1,869.09	8,950.34	1,863.28
Paid up equity share Capital ( Face value of the share : Rs. 5/- each )	4,444.52	3,944.52	4,444.52	3,944.52	4,444.52	3,944.52
Reserves (excluding Revaluation Reserve as shown in the audited balance sheet of previous year	48,237.66 *	37,635.68 **	48,237.66	37,635.68	49,057.25	38,526.37
Earning Per Share(Face value of Rs. 5/- each)						
(i) Basic	5.83 ***	(0.28) ***	11.35	2.50	11.35	2.50
(ii) Diluted	5.46 ***	(0.28) ***	10.63	2.50	10.63	2.50

\* As on 31st March, 2017

\*\* As on 31st March, 2016

\*\*\* Not Annualised

Note: The above is an extract of the detailed format of Quarterly/Annual Financial Results for the three months and Year ended on 31st March, 2017 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015.

The full format of the financial Results for the three months and Year ended on 31st March, 2017 are available on the Stock Exchange Website ([www.bseindia.com/www.cseindia.com](http://www.bseindia.com/www.cseindia.com)) and company's website [www.balasorealloys.com](http://www.balasorealloys.com).



For and on behalf of the Board

Anil Sureka  
Managing Director  
DIN No-00058228

Place: Kolkata  
Date: 19th May, 2017



**BALASORE ALLOYS LIMITED**  
 Regd. Office : Balgopalpur 756020 , Dist . Balasore , Odisha  
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 Website:www.balasorealloys.com, CIN-NO : L27101OR1984PLC001354  
**AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2017**

		STANDALONE		CONSOLIDATED	
		AS AT		AS AT	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
		(Audited)	(Audited)	(Audited)	(Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Shareholders' funds</b>				
	a) Share Capital	4,596.38	4,096.38	4,596.38	4,096.38
	b) Reserves & Surplus	83,133.69	83,785.34	83,953.28	84,676.04
	c) Money Received Against Share Warrants	707.06	935.89	707.06	935.89
	<b>Sub total - Shareholders' Funds</b>	<b>88,437.13</b>	<b>88,817.61</b>	<b>89,256.72</b>	<b>89,708.31</b>
2	<b>Non-current liabilities</b>				
	a) Long term borrowings	1,010.16	1,906.35	1,010.16	1,906.35
	b) Deferred tax liabilities (net)	1,786.89	1,580.20	1,786.89	1,580.20
	c) Long term provisions	1,490.97	1,120.71	1,490.97	1,120.71
	<b>Sub total - Non-current liabilities</b>	<b>4,288.02</b>	<b>4,607.26</b>	<b>4,288.02</b>	<b>4,607.26</b>
3	<b>Current liabilities</b>				
	a) Short term borrowings	11,379.08	9,347.69	11,379.08	9,347.69
	b) Trade payables	35,156.80	25,630.40	35,164.82	25,636.43
	c) Current Maturities of Long-term borrowings	3,142.05	1,939.82	3,142.04	1,939.82
	d) Other current liabilities	11,261.61	7,221.73	11,296.90	7,252.73
	e) Short term provisions	9,045.13	4,154.19	9,045.14	4,154.19
	<b>Sub total - Current liabilities</b>	<b>69,984.67</b>	<b>48,293.83</b>	<b>70,027.98</b>	<b>48,330.86</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>162,709.82</b>	<b>141,718.70</b>	<b>163,572.72</b>	<b>142,646.43</b>
<b>B</b>	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	a) Fixed assets	90,115.42	97,010.10	90,115.42	97,010.10
	b) Non-current investments	3,779.68	3,412.48	1,584.85	1,215.94
	c) Long-term loans and advances	22,716.30	9,908.54	25,594.94	12,853.22
	<b>Sub total - Non-current assets</b>	<b>116,611.40</b>	<b>110,331.12</b>	<b>117,295.21</b>	<b>111,079.26</b>
2	<b>Current assets</b>				
	a) Inventories	20,312.27	13,275.11	20,312.27	13,275.10
	b) Trade receivables	3,978.91	2,457.98	3,985.39	2,457.97
	c) Cash and cash equivalents	3,023.54	1,507.63	3,025.76	1,509.95
	d) Short term loans and advances	18,134.83	13,351.31	18,305.22	13,528.60
	e) Other current assets	648.87	795.55	648.87	795.55
	<b>Sub total - Current assets</b>	<b>46,098.42</b>	<b>31,387.58</b>	<b>46,277.51</b>	<b>31,567.17</b>
	<b>TOTAL - ASSETS</b>	<b>162,709.82</b>	<b>141,718.70</b>	<b>163,572.72</b>	<b>142,646.43</b>

For and on behalf of the Board

Place: Kolkata  
 Date: 19th May, 2017



*(Signature)*

Anil Sureka  
 Managing Director  
 DIN No-00058228



**Notes:**

- 1 The figures for the corresponding previous period/year have been restated/regrouped wherever necessary, to make them comparable. The figures of last quarters are the balancing figures between audited figures in respect of the full financial years and the published year to date figures up to the third quarters of the respective financial years.
- 2 The Auditors' in their audit report on the Company's Standalone financial statements for the year ended 31st March, 2017 and in their review report for the quarter ended 30th June, 2016, 30th September, 2016 and 31st December, 2016 and also in their audit report on the Company's consolidated financial statements for the year ended 31st March, 2017 have drawn attention to matter as stated below :  
  
North Eastern Electricity Supply Company of Orissa Limited (NESCO) has raised total claim for ₹ 17,616.94 Lacs as at 31st March, 2017 (₹ 16,800.34 Lacs as at 31st March, 2016) (including delayed payment surcharge) net of ₹ 3,400 lacs already paid by the company in earlier years .Pursuant to the Supreme Court Order, the dispute has been sent to Grievance Redressal Forum (GRF). Pending outcome of the decision of GRF and based on management discussion with legal counsel, no provision has been made towards above demand.
- 3 Also Auditors' in their audit report on the Company's Standalone financial statements for the year ended 31st March, 2017 and also in their audit report on the Company's consolidated financial statements for the year ended 31st March, 2017 have drawn attention to matter as stated below :  
  
The company has carried out scientific studies including validation of resources of chrome ore in its chromite mine at Sukinda, Kaliapani, Odisha (Lease -1) by an international mining consultant. The company has planned for mining of these resources at 1.4 Million tonne per annum through underground mining method and convert the same into Ferrochrome thereby improving profitability of the company.  
  
In order to expedite the project company has approached some prospective lenders for financial tie-ups. Pending financial tie-up for the aforesaid project, the order for the long lead delivery equipment and machinery have been placed against which company has advanced a sum of ₹ 16,002.48 lacs and also incurred expenses of ₹ 5,979.39 lacs towards project development. Management is confident of implementing the said long gestation project through financial tie-ups.
- 4 Based on the synergies, risks and return associated with business operations and in terms of Accounting Standard-17, the Company is mainly engaged in the Manufacturing of Ferro Chrome. All activities of the company revolves around this main business. As such, there are no separate reportable segments as per the Accounting Standard 17 (Segment Reporting).
- 5 The Consolidated accounts have been prepared as per Accounting Standard (AS) 21 or Consolidated Financial Statements and Accounting Standard (AS) 23 on Accounting for Investments in Associates in Consolidated Financial Statements.
- 6 The Board of Directors, have recommended dividend of ₹ 0.75 per equity share to the equity shareholders. The dividend will be paid after the approval of shareholders at the ensuing Annual General Meeting. During the previous year, the Company had made a provision for the dividend declared by the Board of Directors as per the requirements of pre-revised Accounting Standard 4 – 'Contingencies and Events Occurring after the Balance sheet date' (AS 4). However, as per the requirements of revised AS 4 which is applicable w.e.f 1st April, 2016 the Company is not required to provide for dividend proposed after the balance sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2017. Had the Company continued with creation of provision for proposed dividend, as at the Balance Sheet date, its Surplus in Statement of Profit and Loss would have been lower by ₹806.19 lacs and Short Term Provision would have been higher by ₹ 806.19 lacs (including dividend distribution tax of ₹ 139.51 lacs).
- 7 The above financial results were duly reviewed by the Audit Committee and were approved in the Board Meeting held on 19th May, 2017.

For and on behalf of the Board



Anil Sureka  
Managing Director  
DIN No-00058228

Place: Kolkata  
Date: 19th May,2017







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E-mail : mail@balasorealloys.com  
Website : www.balasorealloys.com  
CIN : L27101OR1984PLC001354

## DECLARATION

I, Anil Sureka, Managing Director on behalf of the Company, hereby declare that the Statutory Auditors of the Company, M/s Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W) have issued an Audit Report with unmodified opinion on the Annual Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended on 31<sup>st</sup> March, 2017.

This declaration has been given, along with audited financial results, in terms of the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2016, vide Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated 25th May, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016.

**For Balasore Alloys Ltd**

**Anil Sureka**  
**Managing Director**  
**DIN: 00058228**

**Date 19.05.2017**  
**Place: Kolkata**