

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in lacs, except per share data)

| PARTICULARS | Quarter ended | |
|---|-------------------------|-------------------------|
| | 30.06.2017 Unaudited | 30.06.2016 Unaudited |
| Total Income from Operations | 31,568.72 | 17,066.93 |
| Net Profit for the period before Tax | 3,891.37 | 641.41 |
| Net Profit for the period after Tax | 2,400.21 | 506.06 |
| Total Comprehensive Income for the period (after tax) | 2,400.21 | 506.06 |
| Paid up equity share Capital (Face value of the share : ₹ 5/- each) | 4,444.52 | 3,944.52 |
| Other Equity (as per last audited balance sheet) | NA | NA |
| Earning Per Share(Face value of ₹ 5/- each) | | |
| (i) Basic | 2.70 * | 0.64 * |
| (ii) Diluted | 2.46 * | 0.64 * |

* Not Annualised

Note: The above is an extract of the detailed format of Quarterly Financial Results for the three month ended 30th June, 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 month ended 30th June, 2017 are available on the Stock Exchange Website. (www.bseindia.com/www.cseindia.com) and company's website www.balasorealloys.com.



For and on behalf of the Board



Anil Sureka
Managing Director
DIN No-00058228

Place: Kolkata

Date: 12th September, 2017

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Website:www.balasorealloys.com, CIN NO : L27101OR1984PLC001354**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER 30TH JUNE, 2017**

(₹ in lacs, except per share data)

| PART I PARTICULARS | Quarter ended | |
|--|-------------------------|-------------------------|
| | 30.06.2017 Unaudited | 30.06.2016 Unaudited |
| 1. Income from operations | | |
| a) Sales/Income from Operations | 30,844.00 | 16,871.91 |
| b) Other Operating Income | 724.72 | 195.02 |
| Total Income from Operations {1(a) +1(b)} | 31,568.72 | 17,066.93 |
| 2. Expenses | | |
| a) Cost of material consumed | 9,995.98 | 4,293.64 |
| b) Change in inventories of finished goods and work in progress | (1,889.34) | (1,270.06) |
| c) Power | 7,383.45 | 6,252.92 |
| d) Excise Duty | 1,846.38 | 506.93 |
| e) Employee benefits expense | 1,852.11 | 1,333.46 |
| f) Depreciation and amortisation expense | 735.52 | 675.12 |
| g) Other Expenses | 6,692.39 | 3,940.65 |
| h) Finance Cost (Net) | 1,060.86 | 692.86 |
| Total Expenses {2(a) to 2(h)} | 27,677.35 | 16,425.52 |
| 3. Profit from operations before Tax (1-2) | 3,891.37 | 641.41 |
| 4. Tax Expense | 1,491.16 | 135.35 |
| 5. Net Profit for the period (3-4) | 2,400.21 | 506.06 |
| 6. Other Comprehensive Income (OCI) (Net of Tax) | - | - |
| 7. Total comprehensive income for the period (5+6) | 2,400.21 | 506.06 |
| 8. Paid up equity share Capital (Face value of the share : ₹ 5/- each) | 4,444.52 | 3,944.52 |
| 9. Other Equity | NA | NA |
| 10. Earning Per Share(Face value of ₹ 5/- each) (Not annualised) | | |
| (i) Basic | 2.70 | 0.64 |
| (ii) Diluted | 2.46 | 0.64 |



Notes:

- 1 The figures for the corresponding previous period/year have been restated/regrouped wherever necessary, to make them comparable.
- 2 Result for the quarter ended 30th June 2017 are in compliance with Indian Accounting Standard (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently, result for the quarter ended 30th June 2016 have been restated to comply with Ind-AS to make them comparable. The statement does not include Ind-AS compliant results for the preceding quarter and previous year ended 31st March, 2017 as the same are not mandatory as per SEBI's circular dated 5th July, 2016
- 3 The Auditors' in their audit report on the Company's financial statements for the year ended 31st March, 2017 and in their review report for the quarter ended 30th June, 2017 have drawn attention to matter as stated below :
 - a) North Eastern Electricity Supply Company of Orissa Limited (NESCO) has raised total claim for ₹ 17,755.96 Lacs as at 30th June, 2017 (₹ 17,616.94 Lacs as at 31st March, 2017) (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.
 - b) 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 ₹ 15,978.18 lacs and also incurred expenses of ₹ 6,253.62 lacs towards project development. Management is confident of implementing the said long gestation project through financial tie-ups.
- 4 The Company is mainly engaged in the Manufacturing of Ferro Chrome. As such there are no separate reportable segment as per the Ind-AS 108 Segment Reporting.
- 5 **Transition to Ind-AS :**

The company has adopted Ind-AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016 and all the periods presented have been restated accordingly.

**RECONCILIATION OF PROFIT BETWEEN Ind-AS AND PREVIOUS INDIAN GAAP FOR THE
QUARTER ENDED 30TH JUNE 2016**

| | | (₹ in lacs) | |
|--------|---|-------------|--------------------------|
| SL No. | Nature of adjustments | Note ref. | Quarter ended 30/06/2016 |
| | Net Profit as per previous Indian GAAP | | 844.46 |
| 1 | Depreciation on Mining Lease | i) | (134.82) |
| 2 | Fair valuation of financial assets | ii) | (309.13) |
| 3 | Deferred Tax | iii) | 105.55 |
| | Net profit before OCI as per Ind-AS | | 506.06 |

- i) **Depreciation :** Earlier depreciation on the revaluated portion of the mining lease was withdrawn from revaluation reserve. Under Ind-AS, depreciation is charged to the Statement of Profit and Loss.
 - ii) **Fair valuation for financial assets :** The company has valued financial assets (other than investments in subsidiaries, associate which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserve and changes thereafter are recognised in Profit and Loss Account.
 - iii) **Deferred Tax :** The impact of transition adjustments together with Ind-AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Profit and Loss account for the subsequent periods.
- 6 The above financial results were duly reviewed by the Audit Committee and were approved in the Board Meeting held on 12th September, 2017. The Statutory auditors have carried out a Limited Review of the result for the current quarter and of the previous period.



Place: Kolkata
Date: 12th September 2017



For and on behalf of the Board

Anil Sureka
Managing Director
DIN No 00050220

Independent Auditors' Review Report

To,
The Board of Directors
Balasore Alloys Limited

1. We have reviewed the accompanying statement of unaudited financial results of Balasore Alloys Limited ("the Company") for the quarter ended 30th June, 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, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement is the responsibility of the Company's Management and approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our review opinion :
 - a) we draw attention to note no. 3(a) of the accompanying statement of unaudited financial results :

North Eastern Electricity Supply Company of Orissa Limited (NESCO) has raised total claim for Rs. 17,755.96 Lacs as at 30th June, 2017 (Rs. 17,616.94 Lacs as at 31st March, 2017) (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(b) of the accompanying statement of unaudited financial results :

CHATURVEDI & SHAH
Chartered Accountants

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. Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For CHATURVEDI & SHAH
Firm Registration No. 101720W
Chartered Accountants



Amit Chaturvedi
Partner
Membership No.: 103141
Kolkata, September 12, 2017

