



Das & Prasad
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF "ORISSA MANGANESE & MINERALS LIMITED" Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

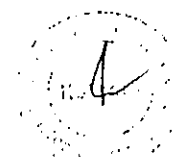
2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



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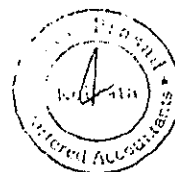
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone Ind AS financial statements.
5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements..

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

7. We draw attention to:
 - a) Note no 47 of the standalone Ind AS financial statement, with respect to Company incurring losses continuously and consequently the net-worth being eroded completely, the current liabilities exceeding the current assets, due compliance of CDR package not being met with and the lenders having since invoked the Strategic Debt Restructuring (SDR) pursuant to RBI Circulars dated 8th June, 2015 and 24th Sep, 2015 the Implementation thereof being under progress. However, the management expect that with the improvement in raw material availability, likely improvement in market scenario, cost synergies from merger, conversion of debts into equity and debt restructuring as may be agreed with lenders, it is expected that the overall financial health of the Company would improve considerably. Considering the above developments and favourable impact thereof on the Company's operations and financials, the Company has prepared the financial results on the basis of going concern basis.
 - b) Note no 4.1 of the standalone Ind AS financial statement, that the Company has made long term Investments in Adhunik Power and Natural Resources Limited amounting to Rs.51,943.89 lacs. The said investments continue to be valued at cost. As per the latest management certified financial statement for the year ended 31st March 2017, the book value of said investment is significantly lower than cost. However, the company has not made any provision for diminution in value of its investments, as it considers such investment as long term strategic investment and in view of the management such diminution are temporary in nature. Accordingly, impact, if any, on the standalone Ind AS financials is currently not ascertainable.



- c) Note no 48 regarding advances, trade payable and trade receivable, are subject to confirmation from respective parties and consequential reconciliation/adjustment arising there from, if any. Hence financial impact if any cannot be ascertained.

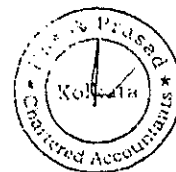
Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

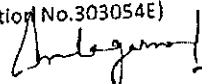
As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
- d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
- e. The matter described in Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f. on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- g. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 as stated in Note No. 34 to the standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company.



- iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note no 10.1 to the standalone Ind AS financial statements.



For Das & Prasad
Chartered Accountants
(Firm's Registration No. 303054E)

Anil Kumar Agarwal
(Partner)
(Membership No. 062368)

Place: Kolkata
Date: 26th May, 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the period ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
(c) As per information and explanation given to us by the management, all the title deeds of the immovable properties are held in the name of the Company;
- (ii) As explained to us inventories were physically verified during the period by the management at reasonable intervals. As the Company's inventory of raw material and finished goods mostly include bulk materials which require technical expertise for establishing the quantity thereof, the Company has hired independent agency for physical verification of such stocks. Relying on the above verification report by such independent expert agency and according to information and explanation furnished to us by the management, the procedures of physical verification of inventory followed by the management seems to be reasonable and adequate in relation to the size of the Company and the nature of its business. However, we have not made detailed analysis of such procedures of physical verification done by Independent expert. Based on the above, and according to the information and explanation given to us, we are of the opinion that the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification. Further we have identified that there are inventories which have no movement or very little movement for over one year amounting to Rs.8,620.23 lacs. The Company is in process of getting technical/commercial/ market evaluation in respect of such inventories, realisable value of the same may be lower than carrying value in the financial statement;
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph iii(a), iii(b) and iii(c) of the Order are not applicable to the Company and hence, not commented upon;
- (iv) In our opinion and according to information and explanations given to us, the Company has not made any loans, investments or guarantees. However the Company has given guarantee for loans taken by others from bank or financial institutions which in our opinion are prejudicial to the interest of the company;
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company;
- (vi) According to the information and explanations given to us, in our opinion, the Company have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.



- (vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, cess or other material statutory dues have been generally regularly deposited during the period by the Company with appropriate authorities.

According to the Information and explanation given to us no undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Value Added Tax, cess or other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they become payable except in following cases:

Name of Statute	Nature of Dues	Amount (Rs in lacs)	Period to which amount relates	Due Date	Date of Payment
Central Sales Tax Act, 1956	CST	2.66	April, 2016	20-May-16	Not Paid
Finance Act, 1994	Service Tax	1.60	April, 2015	06-May-15	Not Paid
Labour Welfare Cess Act, 1976	Labour Welfare Cess	0.91	May, 2016	30-June-17	Not Paid

- b) According to the information and explanation given to us, the following dues of vat, sales-tax, central sales tax, excise, service tax and ESI have not been deposited by the company on account of dispute as at 31st March, 2017:

Name of the Statute	Nature of dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Finished product pellet exempt from excise duty unconditionally	10,747.23	FY 2010-2016	Commissioner, Jamshedpur
Jharkhand Value Added Tax Act, 2005	VAT and CST Dues	437.15	FY 2013-14 and FY 2014-15	Deputy Commissioner of Commercial Taxes

- (viii) Based on the records examined by us and as per the information and explanations given to us, the Company has defaulted in the payment of principal as well as interest dues to the following banks and Financial Institutions:

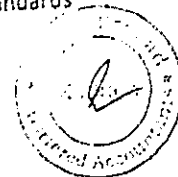
Name of The Bank	Principal (Amount Rs In Lacs)	Period	Interest (Amount Rs In Lacs)	Period
Allahabad Bank	960.82	From July'16 to March 17	1,718.10	From Mar'16 to March 17
Bank of Baroda	327.35	From July'16 to March 17	501.99	From Apr'16 to March 17
Bank of Maharashtra	375.37	From July'16 to March 17	641.41	From May'16 to March 17
Corporation Bank	309.82	From July'16 to March 17	491.12	From Apr'16 to March 17
Dena Bank		From July'16 to		From Apr'16 to March



	278.96	March 17	494.36	17
ICICI Bank	1,966.60	From July'16 to March 17	1,885.52	From Sep'16 to March 17
Punjab & Sind Bank	542.19	From July'16 to March 17	713.88	From July'16 to March 17
Punjab National Bank	1,231.40	From July'16 to March 17	2,120.77	From Apr'16 to March 17
State Bank of Bikaner & Jaipur	207.43	From July'16 to March 17	308.72	From Aug'16 to March 17
State Bank of Hyderabad	1,291.79	From July'16 to March 17	1,883.64	From June'16 to March 17
State Bank of India	1,790.02	From July'16 to March 17	2,887.49	From May'16 to March 17
State Bank of Mysore	204.64	From July'16 to March 17	317.38	From May'16 to March 17
State bank of Patiala	216.75	From July'16 to March 17	321.18	From July'16 to March 17
State Bank of Travancore	281.91	From July'16 to March 17	552.05	From Apr'16 to March 17

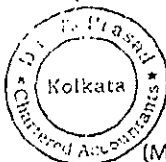
Name of The Financial Institution	Principal (Amount Rs In Lacs)	Period	Interest (Amount Rs In Lacs)	Period
SREI	137.35	From July'16 to March 17	293.12	From Mar'16 to March 17
IFCI	930.96	From July'16 to March 17	1,461.94	From Apr'16 to March 17


- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, further disbursement of Term loan received during the year were applied for the purpose they were raised.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the period, nor have we been informed of such case by the management;
- (xi) According to Information and explanation given to us, the Company has not paid or provided any managerial remuneration and hence paragraph 3(xi) is not applicable;
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards



- (xiv) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review;
- (xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable to the Company;
- (xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Das & Prasad
Chartered Accountants
(Firm's Registration No.303054E)




Anil Kumar Agarwal
(Partner)
(Membership No.062368)

Place: Kolkata
Date: 26th May, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Orissa Manganese & Minerals Limited ("the Company") as of 31st March 2017, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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


Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Das & Prasad
Chartered Accountants
(Firm's Registration No. 303054E)



Anil Kumar Agarwal
(Partner)
(Membership No. 05236S)

Place: Kolkata
Date: 26th May, 2017

Orissa Manganese & Minerals Limited
Balance Sheet as at 31st March 2017

(₹ In lacs)

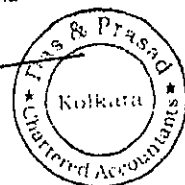
	Notes	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3.1	71,279.68	76,217.09	79,826.67
(b) Capital work-in-progress	3.2	186.48	412.97	188.71
(c) Other Intangible assets	3.1	4,092.20	5,530.69	5,622.31
(d) Financial assets :				
(i) Investments	4	52,265.02	52,265.02	52,000.27
(ii) Other Financial assets	6	1,625.58	1,611.69	1,494.88
(e) Other Non Current Assets	7	43,199.82	56,994.48	51,506.15
		1,72,648.78	1,93,031.94	1,90,638.99
Total Non-Current Assets				
Current Assets	8	19,555.05	22,576.21	23,088.94
(a) Inventories				
(b) Financial assets:				
(i) Trade receivables	9	48,051.77	25,792.51	16,846.51
(ii) Cash and cash equivalents	10	214.21	235.28	1,731.41
(iii) Bank balance other than (ii) above	11	649.86	811.75	979.81
(iv) Loans	5	69.59	78.06	74.97
(v) Other Financial assets	6	1,375.80	891.43	8.04
(c) Other Current Assets	7	10,736.46	44,720.74	49,621.25
		80,652.74	95,105.98	92,350.93
Total Current Assets		2,53,301.52	2,88,137.92	2,82,989.92
Total Assets				
EQUITY AND LIABILITIES				
Equity				
(a) Share capital	12	15,211.00	2,000.00	2,000.00
(b) Other Equity	13	(45,606.89)	15,290.72	33034.81
Total Equity		(30,395.89)	17,290.72	35,034.81
Liabilities				
(a) Financial liabilities:				
(i) Borrowings	14	1,95,831.95	2,18,499.24	2,05,161.13
(ii) Other financial Liabilities	15	1,252.85	1,196.06	1,695.28
(b) Deferred Government Grants	16	475.00	-	-
(c) Deferred tax liabilities (net)	17	-	432.99	1,900.82
(d) Provisions	18	356.70	264.22	310.30
		1,97,916.50	2,20,392.51	2,12,067.53
Total Non-Current Liabilities				
Current liabilities				
(a) Financial liabilities:				
(i) Borrowings	14	30,594.09	18,569.41	14,488.92
(ii) Trade payables	19	5,327.89	15,382.40	11,899.58
(iii) Other financial Liabilities	15	44,733.56	12,562.27	1,757.36
(b) Other current liabilities	20	5,093.10	3,866.05	7,705.35
(c) Provisions	18	32.27	74.56	36.37
		85,780.91	50,454.69	35,887.58
Total Current Liabilities		2,53,301.52	2,88,137.92	2,82,989.92
Total Equity and Liabilities				

Summary of significant accounting policies

The accompanying notes referred to above form an integral part of the financial statements.
As per our attached report of even date

For Das & Prasad.
Firm Registration Number: 303054E
Chartered Accountants

Anil Kumar Agarwal
Partner
Membership No. 062368
Place : Kolkata
Date : 26th May 2017



For and on behalf of the Board of Directors of
Orissa Manganese & Minerals Limited

Nirmal Kumar Agarwal
(Director)

Ghanshyam Das Agarwal
(Director)

Orissa Manganese & Minerals Limited
Statement of profit and loss for the period ended 31st March 2017

			(₹ in lacs)
	Notes	2016-17 (12 Months)	2015-16 (9 Months)
Income	21	50,012.93	21,643.51
Revenue from operations	22	2,809.95	1,889.10
Other Income		<u>52,822.88</u>	<u>23,532.61</u>
Total revenue (I)			
Expenses	23	12,096.66	7,613.55
Cost of raw materials consumed	24	21,549.36	-
Purchase of Trade Goods	25	1,065.42	2,426.92
(Increase)/decrease in inventory of finished goods and Work-in-progress		2,177.41	1,411.39
Excise duty on sale of goods	26	1,770.14	1,516.41
Employee benefits expense	27	28,298.88	19,253.36
Finance Costs	28	6,441.96	4,522.97
Depreciation and amortization expense	29	11,768.98	8,067.00
Other expenses		<u>85,168.81</u>	<u>44,811.60</u>
Total expenses (II)		<u>(32,345.93)</u>	<u>(21,278.99)</u>
Profit / (Loss) before exceptional item and tax [(III)=(I)-(II)]	30	31,108.67	1,698.98
Exceptional Item		<u>(63,454.60)</u>	<u>(22,977.97)</u>
Profit before tax (IV)			
Tax Expense:			
Net Current tax		(427.57)	(4,465.90)
Deferred tax charge		(2,107.28)	(771.99)
Income tax relating to earlier years / (excess provision for taxation written back)		<u>(2,534.85)</u>	<u>(5,237.90)</u>
Total tax expense (V)		<u>(60,919.75)</u>	<u>(17,740.07)</u>
Profit for the period [(IV)-(V)]			
Other Comprehensive Income/(Expenses) (OCI)			
A. Items that will be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		-	-
Less: Income Tax effect		-	-
B. Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		27.56	5.95
Less: Income Tax effect		5.42	1.93
		<u>22.14</u>	<u>4.02</u>
		<u>22.14</u>	<u>4.02</u>
Other Comprehensive Income/(Expenses) (OCI), net of taxes			
		<u>(60,897.61)</u>	<u>(17,736.05)</u>
Total Comprehensive Income /(Loss) for the year			
Earnings per equity share [nominal value ₹ 10 per share (₹ 10 per share) -			
Basic & Diluted (₹)	31	(304.60)	(88.70)
Basic & Diluted (₹)	2		
Summary of significant accounting policies			

The accompanying notes referred to above form an integral part of the financial statements.

As per our attached report of even date

For Das & Prasad.
Firm Registration Number: 303054E
Chartered Accountants

Anil Kumar Agarwal
Partner
Membership No. 062368
Place : Kolkata
Date : 26th May 2017



For and on behalf of the Board of Directors of
Orissa Manganese & Minerals Limited

Niraj Kumar Agarwal
(Director)

Ghanshyam Das Agarwal
(Director)

Orissa Manganese & Minerals Limited
Statement of Changes in Equity for the year ended 31st March 2017

A. Equity Share Capital	As at		(₹ in lacs)
	31st Mar 2017	31st Mar 2016	
At the beginning of the year	2,000.00	2,000.00	
Add: Addition during the year	-	-	
At the End of the year	2,000.00	2,000.00	

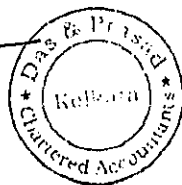
B. Other Equity	As at				(₹ in lacs)
	Securities Premium Account	General Reserve	Retained Earning	Total Equity	
Balance as at 1st July, 2015	285.00	1,512.56	31,237.25	33,034.81	
Add: Profit/(Loss) for the year	-	-	(17,740.07)	(17,740.07)	
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of income tax	-	-	(4.02)	(4.02)	
Balance as at 31st March 2016	285.00	1,512.56	13,493.16	15,290.72	
Add: Profit/(Loss) for the year	-	-	(60,919.75)	(60,919.75)	
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of income tax	-	-	22.14	22.14	
Balance as at 31st March 2017	285.00	1,512.56	(47,404.45)	(45,606.89)	

As per our report of even date

For Das & Prasad
Firm registration number: 303054E
Chartered Accountants

Anil Kumar Agarwal
Partner
Membership No.: 062368

Place: Kolkata
Date: 26th May 2017



For and on behalf of the Board of Directors of
Orissa Manganese & Minerals Limited

Nirmal Kumar Agarwal
(Director)

Ghanshyam Das Agarwal
(Director)

Orissa Manganese & Minerals Limited
Cash Flow Statement for the year ended 31st March 2016

	2016-17 (12 Months)	2015-16 (9 Months)
A: Cash Flow From Operating Activities :		
Profit/(Loss) before Tax	(63,454.60)	(22,977.97)
Adjustments for :		
Depreciation and amortization expense	6,441.97	4,522.97
Profit on Fixed Assets sold/Discarded (Net)	(6.68)	0.54
Interest & Finance Charges	28,298.88	19,253.35
Net Unrealised Loss/(Gain) on Exchange Rates/Forward Exchange Contracts	(1,565.41)	184.12
Provision/Reversal of Provision of doubtful debts	(31,108.67)	1,698.98
Bad debts/advances written off	(195.52)	-
Liabilities no longer required written back	(526.00)	(196.32)
Interest Income	295.26	(204.60)
Operating Profit Before Working Capital Changes	(61,820.77)	2,281.07
Movements in Working Capital :		
Increase / (Decrease) In Trade Payables and Other Liabilities	(8,371.15)	619.63
Increase / (Decrease) In Provisions*	50.14	(7.88)
(Increase) / Decrease in Trade Receivable	(22,259.21)	(6,907.33)
(Increase) / Decrease in Loans and Advances and Other Assets*	81,015.04	(6,289.33)
(Increase) / Decrease in Inventories	3,021.13	512.73
Cash Generated From Operations	(8,364.82)	(9,791.11)
Direct taxes paid (net of refunds)	237.91	770.05
Net Cash Generated From Operating Activities	(A) (8,126.91)	(9,021.06)
B: Cash Flow From Investing Activities :		
Purchase of fixed assets, including Capital work-in-progress and capital advances	(71.27)	(1,554.93)
Sale of fixed assets	16.92	1.54
Purchase of non-current Investments	-	(264.01)
Investment in/(maturity of) fixed Deposit (Net) [Receipt pledged with various bank	161.88	168.07
Interest Received	(295.26)	204.60
Net Cash Used In Investing Activities	(B) (187.73)	(1,444.73)
C: Cash Flow From Financing Activities :		
Proceeds from long-term borrowings	8,483.80	21,240.69
Repayment of long-term borrowings	211.89	(464.67)
Proceeds from unsecured loan from Body Corporate	-	2,830.00
(Repayment)/ Proceeds from working capital loan (Net)	12,024.69	4,080.49
Interest and finance charges paid	(12,426.81)	(18,716.85)
Net Cash Used In Financing Activities	(C) 8,293.57	8,969.66
Net Increase / (Decrease) In Cash And Cash Equivalents	(A+B+C) (21.07)	(1,496.13)
Cash & Cash Equivalents at the beginning of the year	235.28	1,731.41
Cash & Cash Equivalents at the end of the year	214.21	235.28

CP

Final



Orissa Manganese & Minerals Limited
Cash Flow Statement for the year ended 31st March 2016

* Includes both current and non-current items

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.

Components of Cash and Cash Equivalents

	As at 31st March 2017	As at 31st March 2016
Cash on hand	1.61	9.25
Balances with Banks:		226.03
On Current Accounts	212.18	-
Deposits with original maturity of less than three months	0.42	-
	<u>214.21</u>	<u>235.28</u>

Total Cash & Cash Equivalents (Note No. 10)

2

Summary of Significant Accounting Policies

As per our attached report of even date

For Das & Prasad.

Firm Registration Number: 303054E

Chartered Accountants

Anil Kumar Agarwal

Partner

Membership No. 062368

Place : Kolkata

Date : 26th May 2017



For and on behalf of the Board of Directors of
Orissa Manganese & Minerals Limited

Nirmala Kumar Agarwal
(Director)

Ghanshyam Das Agarwal
(Director)

1. CORPORATE INFORMATION

Orissa Manganese & Minerals Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in the manufacture of Iron Ore Pellet and mining of Manganese Ore, Iron Ore and Graphite Ore in Odisha and Jharkhand.

2. Significant Accounting Policies

A) Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standard) Rules, 2006. The date of transition to Ind AS is July 1, 2015. Refer Note 2 (T) for the details of first-time adoption exemptions availed by the Company.

B) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or non-current classification of assets and liabilities.

The effect on reported financial position and financial performance of the Company on transition to Ind AS has been provided in Note 36, which also includes reconciliations of total equity and total comprehensive income for comparative years under Indian GAAP to those reported for respective years under Ind AS.

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

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

Fair value for measurement and/or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

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

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

C) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

D) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.



E) Intangibles

(i) Acquired computer softwares and licenses are capitalized on the basis of costs incurred to bring the specific intangibles to its intended use. These costs are amortized on a straight line basis over their estimated useful life of three years.

(ii) Net Present Value paid to the various State Governments for restoration of forest as a pre-condition of granting license for mining in non-broken forest area (Mining Rights) are capitalized and amortized prospectively on a straight line basis over the remaining lease period.

Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses.

F) Depreciation and amortisation of property, plant and equipment and intangible assets

(i) Depreciation is provided prorata basis on straight line method at the rates determined based on estimated useful lives of tangible assets where applicable, specified in Schedule II to the Act. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use. Depreciation on assets under construction commences only when the assets are ready for their intended use.

(ii) Freehold land is not depreciated.

(iii) Leasehold Land is amortised over the tenure of respective leases.

(iv) Expenses incurred on relining of Blast Furnace is capitalised and depreciated over a period of five years of average expected life. The written down value consisting of relining expenditure embedded in the cost of Blast Furnace is written off in the year of fresh lining. All other relining expenses are charged as expense in the year they are incurred.

(v) Mining lease and Development is amortised over the tenure of lease or estimated useful life of the mine, whichever is shorter.

(vi) Intangible assets (computer softwares) are amortised on straight-line method at the rates determined based on estimated useful lives which vary from 2 years to 5 years.

G) Impairment

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of the recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

H) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

(i) **Operating lease** – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

I) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Cash and bank balances

Cash and bank balances consist of:

(i) **Cash and cash equivalents** - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cashflows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.



Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017
Derecognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps. These derivatives contracts do not generally extend beyond 6 months, except for interest rate swaps.

Derivatives are accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts and interest rate swaps are marked to market at the end of each reporting period.

J) Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

K) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spare parts are carried at lower of cost and net realisable value.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.



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A handwritten signature in dark ink, appearing to be 'S. Das'.

Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017
L) Provision

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

M) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

N) Income taxes

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

O) 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.

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery. Sales are net of returns, claims, trade discounts, Sales Tax and VAT etc. Export turnover includes related export benefits.

Sale of Services

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection

Interest Income

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



Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017
P) Foreign currency transactions and translations

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101 "First time adoption of Indian Accounting Standard" are recognised directly in equity or added/deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

Q) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

R) Segment Reporting

Identification of Segments

The Company has identified Iron & Steel products as its sole operating segment and the same has been treated as primary segment. The Company's secondary geographical segments have been identified based on the location of customers and then demarcated into Indian and overseas revenue earnings.

S) Cash and Cash Equivalents

Cash and cash equivalents as indicated in cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T) First-time adoption - mandatory exceptions, optional exemptions

a) Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of July 01, 2015 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below.

b) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transaction occurring on or after July 1, 2015 ("the transition date").

c) Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the Fair value through other comprehensive income (FVOCI) criteria based on the fact and circumstances that existed as of the transition date.

d) Deemed cost for Property, Plant and Equipment and Intangible assets

The Company has elected to continue with the carrying value of all its plant and equipment and intangible assets recognised as of July 1, 2015 ("transition date") measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

e) Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an arrangement contains a Lease to determine whether an arrangement existing at the transition date contain a lease on the basis of facts and circumstances existing at the date.

f) Determining whether an arrangement contains a lease

The Company elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

U) Earnings Per Share

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

V) Excise Duty and Custom Duty

Excise duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, customs duty on imported materials in transit / lying in bonded warehouse is accounted for at the time of import / bonding of materials.

W) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.



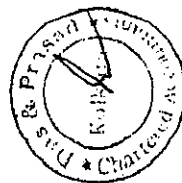
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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

3.1 Fixed Assets

3.1 Fixed Assets													₹ in lacs
	Tangible Assets						Intangible Assets						
	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total	Computer Software	Mining Rights	Mines Restoration	
Cost													
At July 01, 2015	1,736.72	2,451.08	4,541.74	84,026.95	470.00	2,658.66	249.62	195.04	96,329.81	200.88	9,712.00	20.50	9,933.38
Additions	-	-	-	67.47	-	-	1.35	0.80	69.02	-	757.63	-	757.63
Disposals/ Adjustments	-	-	-	-	-	6.61	-	-	6.61	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2016	1,736.72	2,451.08	4,541.74	84,094.42	470.00	2,652.05	250.97	195.75	96,392.82	200.88	10,469.63	20.50	10,691.01
Additions	-	-	-	0.74	-	78.52	1.07	2.65	82.98	-	-	-	-
Disposals/ Adjustments	15.92	-	-	-	-	6.29	-	-	22.21	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2017	1,720.80	2,451.08	4,541.74	84,095.16	470.00	2,724.28	252.04	198.40	96,451.59	200.88	10,469.63	20.50	10,691.01
Depreciation													
At July 01, 2015	-	1,114.51	1,098.70	12,525.21	156.75	1,271.48	158.89	180.34	16,503.88	193.73	4,117.35	-	4,311.08
Charge for the year	-	181.45	203.73	2,894.00	69.64	285.38	31.19	9.52	3,676.91	2.49	843.57	3.18	849.24
Impact of Change in depreciation as per new rate	-	-	-	-	-	-	-	-	-	-	-	-	-
On Disposals/ Adjustments	-	-	-	-	-	5.06	-	-	5.06	-	-	-	-
As at Mar 31, 2016	-	1,295.96	1,302.43	15,419.21	226.39	1,551.80	190.08	189.86	20,173.73	196.22	4,960.92	3.18	5,160.32
Charges for the current period	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Change in depreciation as per new rate	-	275.41	378.77	3,887.64	46.82	367.84	40.37	6.62	5,003.47	3.30	1,430.95	4.24	1,438.49
On Disposals/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2017	-	1,571.37	1,681.20	19,306.85	273.20	1,914.35	230.46	196.48	25,173.91	199.52	6,391.87	7.42	6,598.81
Net Book													
As at Mar 31, 2016	1,736.72	1,155.12	3,239.31	68,675.21	243.61	1,160.25	60.89	5.89	76,217.09	4.66	5,508.71	17.32	5,530.69
As at Mar 31, 2017	1,720.80	879.71	2,860.54	64,788.31	196.80	809.93	21.58	1.92	71,275.68	1.36	4,077.76	13.08	4,092.20



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

3.1 Capital Work-in-progress

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Civil Construction and Structural Works	94.90	113.50	176.71
Plant & equipment and other assets	34.90	0.00	14,836.92
Capital Goods In Stock and with Contractors	56.68	299.47	5,300.41
	186.48	412.97	20,314.04
			20,125.33
Less : Transferred to Tangible Assets	186.48	412.97	188.71
Add: Pre-operative and trial run expenditure (Pending Allocation) (Note No. 3.2)	186.48	412.97	188.71

3.2 Details of Pre-operative and trial run expenditure (pending allocation)

During the period, the Company has incurred the following expenses relating to ongoing projects of the Company, which are accounted as pre-operative expenses and grouped under Capital Work-in-progress. Consequently, expenses disclosed under the respective notes are net of the following amounts capitalized by the company.

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Opening Balance Brought forward	-	-	5,619.75
Add : During the period	-	-	6,021.03
Raw materials consumed	-	-	491.18
Power and fuel	-	-	250.52
Legal and professional fees	-	-	96.62
Salaries, wages & bonus	-	-	0.10
General and administrative expenses	-	-	2,798.05
Finance costs (Borrowing costs)	-	-	-
Finance and interest charges	-	-	-
Other borrowing costs	-	-	-
Sub Total	-	-	15,277.25
Sales	-	-	-
Less : Excise duty	-	-	-
Sub Total	-	-	-
Increase / (Decrease) in Stock:	-	-	-
Opening stock	-	-	-
Finished goods	-	-	4,034.98
Closing stock	-	-	4,034.98
Finished goods [transferred to (Increase)/Decrease in inventories - (Note no. 25)]	-	-	-
Sub Total	-	-	11,242.27
	-	-	11,242.27
TOTAL	-	-	-
Less : Transferred to Tangible Assets	-	-	-



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

4. Non-current investments (valued at cost unless stated otherwise)	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
			(₹ in lacs)

Trade Investments (Unquoted)

Investment in a Subsidiaries Company

1,00,000 (1,00,000) Equity Shares of ₹ 10 each fully paid up of Vasundhara Resources Limited	10.00	10.00	10.00
3,98,001 (1) Equity Shares of SGP 1 each fully paid up in Orchid Global Resources Pte Limited	264.00	0.00	-
54,4362 (54,4362) Equity Shares of HKD 1 each fully paid up In Global Commodity & Resources Pte Limited	42.38	42.38	42.38

Investment in a Associate Company

25,37,21,461 (25,37,21,461) Equity Shares of ₹ 10 each fully paid up of Adhunik Power & Natural Resources Limited	47,259.89	47,259.89	47,259.89
4,68,400 (4,68,400) Preference shares of ₹ 1000 each fully paid up of Adhunik Power & Natural Resources Limited	4,684.00	4,684.00	4,684.00
7,500 (7,500) Equity Shares of ₹ 10 each fully paid up of McCluskie Coal & Power Limited	0.75	0.75	-

Investment in a Joint Venture Company

40,000 (40,000) Equity Shares of ₹ 10 each fully paid up of Neepaz B C Dagara Steels Pvt. Limited	4.00	4.00	4.00
---------------------------------------------------------------------------------------------------	------	------	------

Share Application Money in Subsidiary Companies

Orchid Global Resources Pte Ltd [398,000 Equity Share of \$51 allotted on 15th April, 2016]	-	264.00	-
-----------------------------------------------------------------------------------------------	---	--------	---

52,265.02	52,265.02	52,000.27
52,265.02	52,265.02	52,000.27

Aggregate amount of unquoted investments

4.1 The Company has investment of ₹ 51,943.89 lacs in Adhunik Power and Natural Resources Limited ('APNRL'), an associate company, as at 31st March 2017. APNRL has been incurring losses since the commencement of its commercial operation and performance has been adversely affected due to non-availability of raw materials at viable prices, non-availability of working capital for operations, continued stress in power sector and other external factors beyond the management control. The management is confident that with the improvement in raw material availability, likely improvement in market scenario and debt restructuring, it is expected that the overall financial health of the Company would improve considerably and accordingly, the investments in APNRL has been carried at cost and no provision for diminution in the value of investments has been made as at 31st March 2017. The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in this regard.

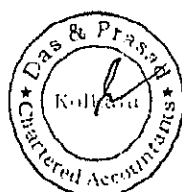
5. Loans and advances (Unsecured, considered good unless stated otherwise)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
A. Current	69.59	78.06	74.97
Loan to Employees	69.59	78.06	74.97
Total	69.59	78.06	74.97

6. Other Financial Assets (Unsecured, considered good unless stated otherwise)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
A. Non Current	1,625.58	1,611.69	1,494.88
Security Deposits	1,625.58	1,611.69	1,494.88
B. Current	-	-	8.04
Interest Receivable on :			
Other Advances	60.14	-	-
Security Deposits	1,315.66	891.43	-
Subsidy Income Receivable	1,375.80	891.43	8.04

The Company has also entered into another contract with Mr. B.C. Dagara to act as the raising contractor for the said mines, and a sum of ₹ 5204.19 lacs (₹ 5204.19 lacs) has been paid as security deposit to him during the pendency of this service contract. Due to Ind AS adjustment ₹ 3,758.61 has been adjusted with the retain earning and the same will be amortised over the lease period.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

7. Other Assets (Unsecured, considered good unless stated otherwise)		₹ in lacs		
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015	
A. Non Current				
Capital advances	1,054.23	18,583.26	18,576.43	
Considered good - To Others	30,182.35	2,698.98	1,000.00	
Doubtful - To Others	31,236.50	21,282.24	19,576.43	
	30,182.35	2,698.98	1,000.00	
Provision for doubtful advances	(A) 1,054.23	18,583.26	18,576.43	
Advances recoverable in cash or kind	38,189.66	36,506.29	31,426.20	
Considered good - To Related Parties	38,189.66	36,506.29	31,426.20	
Doubtful - To Others				
Less: Provision for doubtful advances	(B) 38,189.66	36,506.29	31,426.20	
			43.06	
Balances with statutory / Government authorities	694.36	451.02		
Advance income-tax	3,261.57	1,453.91	1,453.91	
MAT credit entitlement			6.55	
Prepaid expenses	(C) 3,955.93	1,904.93	1,503.52	
Total	(A+B+C) 43,199.82	56,994.48	51,506.15	

B. Current

Advances recoverable in cash or kind	4,852.06	27,107.23	27,139.02	
Considered good - To Related Parties	5,607.83	16,871.20	18,482.72	
Considered good - To Others	2,021.05	4.26	4.26	
Doubtful - To Others	12,480.94	43,982.69	45,626.00	
	2,021.05	4.26	4.26	
Provision for doubtful advances	(A) 10,459.89	43,978.43	45,621.74	
	253.38	400.91	1,322.25	
Balances with statutory / Government authorities	7.46	335.51	2,670.56	
Unbilled Revenue	15.73	5.89	6.70	
Prepaid expenses	(B) 276.57	742.31	3,999.51	
Total	10,736.46	44,720.74	49,621.25	

(i) The Company has entered into a 50:50 Joint Venture agreement with Mr. B.C. Dagara, the lessee of Sulaipat Iron Ore Mines, Odisha for the transfer of the said iron ore mine to the joint venture company formed between the two parties under the name and style of M/s Neepaz B.C. Dagara Steels Pvt. Ltd. The transfer of mine in joint venture is subject to obtaining the requisite approvals from the State Government stipulated by various laws. The said iron ore mine has to be renewed, before such approval for transfer from the State Government can be obtained. To facilitate the renewal, the Company has advanced ₹ 2,636.42 lacs (₹ 2,636.42 lacs) to Mr. B.C. Dagara which appears as 'Advances recoverable in cash or in kind' against the above mine.

Further The Company Filed The application In the matter of M/s. Orissa Manganese & Minerals Limited Versus Shri Birat Chandra Dagara under Section 17 of the Arbitration and Conciliation Act, 1996 is pending before Hon'ble Shri Justice Vikramjit Sen, Former Judge, Supreme Court of India, Sole Arbitrator.

(ii) Long term advances include ₹ 4,454.23 Lacs (₹ 26,734.82 lacs) given to one of its group company namely Adhunik Steel Limited. The Company has given such advance based on the mining contract. As per the latest financial statements of this company, the Company has accumulated losses and its net worth have been fully eroded. However management is hopeful of recovery of the same and Company has started process to recover the said balance.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

8. Inventories (valued at lower of cost and net realizable value) (₹ in lacs)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Raw materials	2,421.67	4,308.16	2,459.27
Work-In-Progress (refer note no. 25.1)	8,907.54	10,458.75	10,761.30
Finished goods and by-product (refer note no. 25.1)	7,792.55	7,306.76	9,431.13
Traded Goods	1.49	1.49	1.49
	19,123.25	22,075.16	22,653.19
Stores and spares	431.80	501.05	435.75
	19,555.05	22,576.21	23,088.94

9. Trade receivables

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Unsecured, considered good unless stated otherwise			
Outstanding for a period exceeding six months from the date they are due for payment	44,987.42	15,010.98	5,463.85
Doubtful Debt	1,608.51	-	-
	46,595.93	15,010.98	5,463.85
Less: Provision for doubtful	1,608.51	-	-
	(A) 44,987.42	15,010.98	5,463.85
Other receivables	(B) 3,064.35	10,781.53	11,382.66
	(A+B) 48,051.77	25,792.51	16,846.51
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
60-90 days	-	59.67	982.44
90-180 days	17.10	10,339.49	2,513.42
>180 days	41,839.02	15,010.98	5,463.85
	41,856.12	25,410.14	8,959.71

The credit period on sales of goods ranges from 7 to 60 days with or without security. No interest is charged on trade receivables upto the end of the credit period.

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. There has been no significant change in the credit quality of receivables past due for more than 180 days.

The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

10. Cash and bank balances (₹ in lacs)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Balances with banks:			
On current accounts	212.18	226.03	1,728.74
Deposit with original maturity of less than three months	0.42	-	-
Cheques/Drafts on Hand	1.61	9.25	2.67
Cash on hand			
	214.21	235.28	1,731.41



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

Details of Specified Bank Notes (SBN) held and transacted during demonetisation period from 08-11-2016 to 30-12-

	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	1.56	1.56
(+) Permitted receipts	-	4.50	4.50
(-) Permitted payments	-	2.68	2.68
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	3.38	3.38

During the year, the Company had specified bank notes or other denomination notes as defined in MCA notification G.S.R.308(E) dated March 30, 2017 on the details of specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification.

11. Bank Balance Other Than Cash and Cash Equivalents				(₹ in lacs)
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015	
Margin money deposit #	649.86	727.94	902.35	
Deposits with original maturity for more than 3 months but less than 12 months	-	83.81	77.46	
Deposits with original maturity for more than 12 months #	-	-	-	
	649.86	811.75	979.81	

Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

	As at 31st March 2017 ₹ in lacs	As at 31st March 2016 ₹ in lacs	As at 1st Jul 2015 ₹ in lacs
12. Share Capital			
Authorized shares	3,900.00	2,500.00	2,500.00
3,90,00,000 (2,50,00,000) Equity Shares of ₹ 10 each	18,500.00	-	-
18,50,00,000 (NIL) Preference Shares of ₹ 10 each	-	-	-
Issued, subscribed and fully paid-up shares	2,000.00	2,000.00	2,000.00
20,00,00,000 (20,00,00,000) Equity Shares of ₹ 10 each fully paid up	13,211.00	-	-
13,21,10,000 (NIL) Preference Shares of ₹ 10 each fully paid up	-	-	-
Total share capital	15,211.00	2,000.00	2,000.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Share Capital	As at 31st March 2017 (Nos.)	As at 31st March 2016 (Nos.)	As at 1st Jul 2015 (Nos.)
At the beginning of the period/year	2,00,00,000	2,00,00,000	2,00,00,000
Issued during the period/year	2,00,00,000	2,00,00,000	2,00,00,000
At the end of the period/year			
Preference Shares Capital			
At the beginning of the period/year	13,21,10,000	-	-
Issued during the period/year	13,21,10,000	-	-
At the end of the period/year			

(b) Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Aggregate number of bonus shares issued during the period of five year immediately preceding the reporting date:

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Equity share allotted on June 28, 2012 as fully paid bonus shares by capitalisation of surplus in the statement of profit and loss	1,80,00,000	1,80,00,000	1,80,00,000

(d) Details of shareholders holding more than 5% shares in the company and shares held by the holding Company

Name of the shareholder	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Equity shares of ₹ 10 each fully paid	2,00,00,000	2,00,00,000	2,00,00,000
Adhunik Metaliks Limited (AML), the holding Company	100%	100%	100%
% holding			

(Includes shares held by the Nominees)

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

Name of the shareholder	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Preference Shares of ₹ 10 each fully paid	1,80,80,000	-	-
Adhunik Alloys & Power Limited	13.69%	-	-
% holding	4,29,70,000	-	-
Rosemery Sales Private Limited	32.53%	-	-
% holding	4,41,60,000	-	-
Arena Textiles & Industries Limited	33.43%	-	-
% holding	1,04,00,000	-	-
Biharji Ecoserve Pvt Ltd	7.87%	-	-
% holding	1,65,00,000	-	-
Parasnath Advisory Private Limited	12.49%	-	-
% holding			



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

13. Other Equity		As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Securities Premium Account (as per the last financial statements)	(A)	285.00	285.00	285.00
General Reserve (as per the last financial statements)	(B)	1,512.56	1,512.56	1,512.56
Retained Earning	(C)	(47,404.45)	13,493.16	31,237.25
	(A to C)	<u>(45,606.89)</u>	<u>15,290.72</u>	<u>33,034.81</u>
Total reserves and surplus				(₹ in lacs)
14. Long-term borrowings		As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
A. Non Current				
A) Secured				
Term Loans from :				
Banks		1,73,698.05	1,84,277.21	1,75,865.38
Financial Institutions		21,366.12	20,757.00	18,490.59
	(A)	<u>1,95,064.17</u>	<u>2,05,034.21</u>	<u>1,94,355.97</u>
Deferred payment liabilities	(B)	767.78	254.03	424.16
Vehicle/Equipment/Housing Loans				
	(C)	-	13,211.00	10,381.00
		<u>1,95,831.95</u>	<u>2,18,499.24</u>	<u>2,05,161.13</u>
B) Unsecured				
Loans from Bodies Corporates				
	(A)	24,962.68	9,707.18	-
		2,670.76	1,037.85	46.28
	(A)	<u>27,633.44</u>	<u>10,745.03</u>	<u>46.28</u>
Deferred payment liabilities	(B)	-	301.86	548.58
Vehicle/Equipment/Housing Loans				
	(C)	30,594.09	18,569.41	14,488.92
	(D)	<u>58,227.53</u>	<u>29,616.30</u>	<u>15,083.78</u>
		<u>27,633.44</u>	<u>11,046.89</u>	<u>594.86</u>
		<u>30,594.09</u>	<u>18,569.41</u>	<u>14,488.92</u>
Total	(A to D)			
Less: Amount disclosed under the head "other financial liabilities" (Note No. 15)				
Total	(A to D)			

(A) Secured Term Loans
During the financial year 2014-15, the Company was referred to the Corporate Debt Restructuring Forum (CDR), a non statutory voluntary mechanism set up under the aegis of the Reserve Bank of India, for the restructuring of its corporate debt w.e.f. 1st August 2014 and pursuant to which the CDR package was approved vide the letter of approval of CDR cell dated 20th March 2015 and a Master Restructuring Agreement (MRA) dated 30th March 2015 was executed to give effect to the CDR package. The CDR Package includes reliefs/measures such as reduction of interest rates, funding of interest, rearrangement of securities etc. Milestones under the CDR Scheme could not be achieved and therefore lenders invoked Strategic Debt Restructuring (SDR) at its meeting held on 26th July, 2016, pursuant to RBI circular dated 8th June 2015 and 24th September 2015. In accordance with the said regulation of SDR, lenders are compulsory required to acquire at least 51% equity shares in the Company by conversion of debt/acquisition from the existing promoter. The last date for such conversion/acquisition expired on 22nd January 2017 without the lenders initiating any action for such conversion/acquisition. Therefor the Company's assets classification is being determined as per such guidelines and Income Recognition and Asset Classification (IRAC) and the implementation thereof is under process. In view of above the following loans have been recorded in the books of the Company under long term borrowings as on March 31, 2017:

Restructured Term Loan :
In terms of the CDR Package, outstanding term loan of the Company amounting to ₹ 135,924.90 lacs (₹ 136,229.39 lacs) as on August 1, 2014 (cut off date) which falls due to payment on or after the cut off date has been restructure into new term loan (herein after referred to as "Restructure Term Loan").



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

Working Capital Term Loan (WCTL):

In terms of the CDR Package, the overdrawn portion of the Cash Credit Accounts of the Company amounting to ₹ 11,135.71 lacs (₹ 11079.15 lacs) has been carved out into separate Working Capital Term Loans (WCTL-I) and LC/BG devolved amounting to ₹ 24,816.44 lacs (₹ 24,753.12 lacs) from cut-off date till March 31, 2015 has been carved out as Working Capital Term Loan - II (WCTL-II).

Funded Interest Term Loan (FITL):

In terms of the CDR Package, funding of interest has been provided for :

- Interest on restructure term loans for a period of 24 months from the cut-off date i.e. from August 01, 2014 to July 31, 2016;
- Interest on WCTL-I & on WCTL-II for a period of 24 months from the cut-off date i.e. from August 01, 2014 to July 31, 2016;
- Interest on regular cash credit limit for a period of 8 months from the cut-off date i.e. August 01, 2014 to March 31, 2015;

Till March 31, 2017 ₹ 43,854.16 lacs (₹ 36,831.58 lacs) interest on above loans have been funded from FITL.

Priority Term Loan (PTL):

In terms of the CDR Package, Priority Term Loan amounting to ₹ 6,271.00 lacs with a moratorium period of 2 years has been sanctioned to meet payment obligations towards statutory liabilities, pressing creditors and employees dues. During the year ₹ 6,270.67 Lacs (₹ 6,210.85 lacs) loan has been availed out of above mentioned Priority Term Loan.

Capex Term Loan (CTL):

In terms of the CDR Package, Capex Term Loan amounting to ₹ 10,122.00 lacs has been sanctioned with a moratorium period of 2 years. During the year ₹ 695.74 lacs (₹ 675.15 lacs) amount has been availed out of above mentioned Capex Term Loan.

(B) Nature of security -

- The rupee term loan from CDR lenders amounting to ₹ 222,697.61 lacs (₹ 215,779.24 lacs) are secured by charge over the entire assets of the Company (except assets exclusively charged to ICICI Bank) and over all the assets of the wholly owned holding Company, Adhunik Metaliks Limited and Zion Steel Limited, the enterprises over which Key Management Personnel have significant influence, both present and future, ranking pari passu with the charges in favor of other existing CDR lenders (including working capital lenders) under obligor and co-obligor structure.
- The rupee term loans from ICICI Banks amounting to ₹ 39,332.10 lacs (₹ 39,302.34 lacs) are further secured by exclusive charged on the fixed assets of the mining division Company, 30% shares of the pre merged entity, i.e. Orissa Manganese & Minerals Limited. However, post-merger (Refer Note No. 46), proportionate shares would continue to be pledged with ICICI Bank as per the scheme of merger.
- The rupee Term Loans of ₹ 222,697.61 lacs (₹ 215,779.24 lacs) from banks and financial institutions are further secured by the personal guarantee of one or more promoter directors of the Company.
- Finance against equipments/vehicles/housing are secured by hypothecation of the respective equipments/vehicles/housing.

(C) Terms of repayment of rupee loans from banks and financial institutions rate of interest charged -

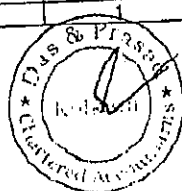
Terms of repayment of rupees term loan

- The Restructure Term Loan, Working Capital Term Loan, Priority Term Loan and Capex Term Loan are to be repaid over a period of 8 years by way of 32 structured quarterly installments commencing from September 30, 2016 upto June 30, 2024 as per the Repayment Schedule given below:

Financial Year	Quarter	Repayment per Quarter %	Percentage of Term Loan due for Repayment (%)
2016-17	3	1.67%	5.00%
2017-18	4	1.88%	7.50%
2018-19	4	2.50%	10.00%
2019-20	4	2.50%	10.00%
2020-21	4	3.13%	12.50%
2021-22	4	3.75%	15.00%
2022-23	4	3.75%	15.00%
2023-24	4	3.75%	15.00%
2024-25	1	10.00%	10.00%

- The Funded Interest Term Loan (FITL) for 12 months shall be converted into Equity of OMML after merger of AML, hereinafter referred to as "OMML (Merge Entity)" (Refer Note 46), subject to the overall holding of the lenders post conversion of FITL into equity should not go beyond 49% share capital of the OMML (Merge Entity) and balance shall remain as FITL which are to be repaid over a period of 6 years by way of 24 structured quarterly installments commencing from September 30, 2016 upto June 30, 2022. The said equity conversion which falls due for conversion in March 2016, have been extended till October 2016 by CDR EG in their meeting held on April 27, 2016. In case of non-resolution of merger, the Company shall issue equity for stipulated FITL by December 2016 with all the statutory approvals. Repayment Schedule of FITL is given below:

Financial Year	Quarter	Repayment per Quarter %	Percentage of Term Loan due for Repayment (%)
2016-17	3	1.67%	5.00%
2017-18	4	1.88%	7.50%
2018-19	4	3.13%	12.50%
2019-20	4	4.38%	17.50%
2020-21	4	5.63%	22.50%
2021-22	4	5.63%	22.50%
2022-23	1	12.50%	12.50%



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

iii) The Rupee Term Loan from Non-CDR lender (SREI) is repayable as per Schedule given below.

Financial Year	Quarter	Repayment per Quarter %	Percentage of Term Loan due for Repayment (%)
2015-16	3	2.00%	6.00%
2016-17	4	2.50%	10.00%
2017-18	4	2.75%	11.00%
2018-19	4	3.00%	12.00%
2019-20	4	3.25%	13.00%
2020-21	4	3.50%	14.00%
2021-22	4	3.75%	15.00%
2022-23	3	3.67%	11.00%

Rate of Interest charged

- i) The Restructured Rupee Term Loan from CDR lenders amounting to ₹ 135,924.90 lacs shall carry floating interest rate of 11% p.a. w.e.f. the cut-off date till March 31, 2017, 11.50% p.a. for next three years and 12% p.a. for the balance years and shall be linked to individual bank base rate.
ii) The Working Capital Term Loan (WCTL-I & WCTL-II) amounting to ₹ 35,952.14 lacs and FITL amounting to ₹ 43,854.16 lacs from CDR lenders carry floating interest rate, linked to individual bank base rate, of 11% p.a.
iii) The Priority Term Loan from CDR lenders amounting to ₹ 6,270.67 lacs carry floating interest rate, linked to individual bank base rate, of 11.25% p.a.
iv) The Capex Term Loan from CDR lenders amounting to ₹ 695.74 lacs as on March 31, 2017 shall carry floating interest rate, linked to individual bank base rate, of 11.25% p.a.

(D) During the year and in previous year, the company has committed continuous defaults in repayment of principal and interest (including additional/ penal interest) to the CDR lender banks, however, the defaults of for the period above 90 days making the account irregular/NPA as per bank's prudential norms on assets classification (IRAC norms). Following are the defaults made by the company on account of Principal and Interest.

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Principal			
Term Loan :	6,739.05	-	-
Working Capital Term Loan:	1,780.92	-	-
Funded Interest Term Loan:	2,192.71	-	-
Priority Term Loan:	33.30	-	-
Capex Term Loan:	307.40	-	-
	11,053.38	-	-
Interest			
Term Loan :	9,132.36	-	1.35
Working Capital Term Loan:	2,630.47	-	-
Funded Interest Term Loan:	4,132.03	633.17	165.53
Priority Term Loan:	578.95	79.78	17.23
Capex Term Loan:	118.88	7.66	-
	16,592.69	720.61	184.11



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Orissa Manganese & Minerals Limited**Notes to Financial Statements for the period ended 31st March 2017**

(E) Unsecured Loans from from body corporate ₹ NIL (₹ 13,211.00) represent amount brought in by the promoters group pursuant to MRA executed by the Company. Refer Note A above.

(F) Deferred payment liabilities:

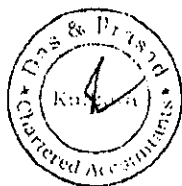
Vehicle/Equipment/Housing loans carry interest ranging between 8.46% to 12.00% per annum and are secured by the respective fixed assets purchased there against. Following is the repayment schedule of such loans:

Deferred Payment Liabilities				
Payment Terms		As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Installments due				
Within one year	Amount (₹ in lacs)	383.29	301.86	548.58
	No. of Installments	124	141	156
One year to Three year	Amount (₹ in lacs)	353.16	202.8	334.95
	No. of Installments	51	128	206
Three year to Five year	Amount (₹ in lacs)	31.33	51.23	89.21
	No. of Installments	20	17	24
More than Five year	Amount (₹ in lacs)	0	0	0
	No. of Installments	0	0	0

(G) Cash credits from banks

(a) Cash credit from banks of ₹ 30,594.09 lacs (₹ 18,569.41 lacs) which is repayable on demand are secured by charge over the entire assets of the Company (except assets exclusively charged to ICICI Bank) and over all the assets of the Holding Company, Adhunik Metaliks Limited and Zion Steel Limited, the enterprises over which Key Management Personnel have significant influence, both present and future, ranking pari passu with the charges in favor of other existing CDR lenders (including term loan lenders) under obligor and co-obligor structure.

(b) Cash credit from banks of ₹ 30,594.09 lacs (₹ 18,569.41 lacs) are further secured by the personal guarantee of one or more promoter directors of the Company.



Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

15. Other financial Liabilities	(' in lacs)		
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015

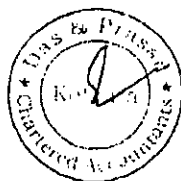
A. Non Current

Payable towards fixed assets	1,252.85	1,196.06	1,695.28
	1,252.85	1,196.06	1,695.28
B. Current			
Current maturities of long-term borrowings (Refer note no. 14)	27,633.44	11,046.89	594.86
Interest accrued and due on borrowings	16,592.69	720.61	184.11
Retention Money	105.81	105.81	124.15
Employee related liabilities	396.37	627.27	678.54
Bank Overdraft	5.25	61.69	175.70
	44,733.56	12,562.27	1,757.36

16. Deferred Government Grants	(' in lacs)		
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
(To the extent not adjusted)			
Government Grant	500.00	-	-
Add: Received during the year	25.00	-	-
Less: Adjusted During the Year	475.00	-	-

The Jharkhand Government has granted total capital subsidies of ` 500.00 Lacs to the company for implementing a project relating to manufacture of Pellet in the state of Jharkhand against the value of Plant & Machinery, the capital grant related to the plant & machinery (depreciable assets) are treated as deferred income which is recognized in the profit & loss account on a systematic & rational basis over the period of 20 years life of the assets.

17. Deferred tax liabilities (net)	(' in lacs)		
	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Deferred tax liability			
a) On timing difference of depreciable assets	12,296.22	12,234.37	9,971.10
	12,296.22	12,234.37	9,971.10
Deferred Tax Asset			
a) On expense allowable against the taxable income in future years	11,568.46	10,536.78	4,561.33
b) On other timing differences	727.76	1,264.60	508.95
	12,296.22	11,801.38	5,070.28
Deferred tax liabilities (net)	-	432.99	4,900.82



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

18. Provisions (₹ in lacs)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
A. Non Current			
Provision for Employee Benefits			
Gratuity (Refer Note No. 32)*	154.43	77.00	136.36
Leave benefits	82.78	80.66	76.14
(A)	237.21	157.66	212.50
Other Provision			
Provision for mines restoration charges	119.49	106.56	97.80
(B)			
(A+B)	356.70	264.22	310.30
B. Current			
Provision for Employee Benefits			
Gratuity (Refer Note No. 32)*	16.74	58.71	19.95
Leave benefits	15.53	15.85	16.42
	32.27	74.56	36.37
Other Provision			
Provision for mines restoration charges	-	-	-
	32.27	74.56	36.37

Provision for mines restoration charges:

The activities of the Company involve mining of land taken under lease. In terms of the provisions of relevant statutes and lease deeds, the mining areas would require restoration at the end of the mining lease. The future restoration expenses are affected by a number of uncertainties, such as, technology, timing etc. As per the requirement of Ind AS - 37, the management has estimated such future expenses on best judgment basis and the provision thereof has been made in the accounts. The movement in provisions for Mine Restoration Charges during the period is as follows :

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
At the beginning of the year/period	106.56	97.80	97.80
Arising during the period	12.93	8.76	-
Utilized during the period	-	-	-
Unused amounts reversed	-	-	-
At the end of the year/period	119.49	106.56	97.80

*The Classification of provision for employee benefit into current/ non current have been done by the actuary of the Company based on the estimated amount of the cash outflow during the next twelve months from the balance sheet date.

19. Trade payables (₹ in lacs)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Trade payables [Due to micro and small enterprises ₹ Nil (₹ Nil)]	5,327.89	7,715.01	11,025.68
Acceptances	-	7,667.39	873.90
	5,327.89	15,382.40	11,899.58

Acceptances include credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

20. Other current liabilities (₹ in lacs)

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Advance from customers	1,523.18	693.90	1,202.83
Security Deposits	18.19	26.69	26.69
Amount Payable towards purchase of investment	-	-	967.40
Statutory dues payable	3,551.73	3,145.46	5,508.43
	5,093.10	3,866.05	7,705.35



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

		(` in lacs)	
21. Revenue from operations		2016-17	2015-16
		(12 Months)	(9 Months)
Revenue from operations			
Sale of products		28,115.67	15,836.08
Finished goods		21,681.66	-
Traded goods			
Sale of Services		215.60	5,807.43
Job work charges			
Revenue from operations (gross)		50,012.93	21,643.51
Detail of products sold		(` in lacs)	
		2016-17	2015-16
		(12 Months)	(9 Months)
Finished goods sold			
Iron Ore		327.41	1,940.99
Iron Ore Pellet		17,696.27	11,433.09
Manganese Ore		10,091.99	2,462.00
		28,115.67	15,836.08
Stock-in-trade - Iron & Steel product		21,681.66	-
		21,681.66	-
Detail of services rendered		(` in lacs)	
		2016-17	2015-16
		(12 Months)	(9 Months)
Excavation and Ore raising work		-	5,807.43
Conversion Charge		215.60	-
		215.60	5,807.43
22. Other income		(` in lacs)	
		2016-17	2015-16
		(12 Months)	(9 Months)
Interest income			
On Bank deposits		67.20	204.60
On Advances		228.06	-
		295.26	204.60
Subsidy Income		376.67	1,432.45
Surplus / (Loss) on Fixed Assets Sold		6.68	-
Gain on foreign exchange fluctuation (Net)		1,565.41	-
Unspent Liabilities no longer required written back		526.00	196.32
Miscellaneous Income		39.93	55.73
		2,809.95	1,889.10



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

23. Cost of raw materials consumed/sold			(₹ in lacs)
	2016-17 (12 Months)	2015-16 (9 Months)	
Opening Stock of Raw Material	4,308.16	2,459.27	
Add: Purchases	10,210.17	9,462.44	
	14,518.33	11,921.71	
Less: Closing Stock	2,421.67	4,308.16	
Cost of raw materials consumed/sold	12,096.66	7,613.55	

Detail of raw materials consumed/sold			(₹ in lacs)
	2016-17 (12 Months)	2015-16 (9 Months)	
Iron Ore Fines	10,702.80	7,389.57	
Others	1,393.86	223.98	
	12,096.66	7,613.55	

24. Purchase of Stock-in-trade			(₹ in lacs)
	2016-17 (12 Months)	2015-16 (9 Months)	
Iron & Steel product	21,549.36	-	
	21,549.36	-	

25. (Increase)/ decrease in inventories				(₹ in lacs)
	2016-17 (12 Months)	2015-16 (9 Months)		(Increase)/ Decrease
Inventories at the end of the period				
Finished goods	7,792.55	7,306.76		(485.79)
Traded Goods	1.49	1.49		(0.00)
Work-in-progress	8,907.54	10,458.75		1,551.21
(A)	16,701.58	17,767.00		1,065.42

Less: Inventories at the beginning of the period

Finished goods	7,306.76	9,431.13	2,124.38
Traded Goods	1.49	1.49	(0.00)
Work-in-progress	10,458.75	10,761.30	302.54
(B)	17,767.00	20,193.92	2,426.92
(B-A)	1,065.42	2,426.92	

25.1 Detail of inventory of products			(₹ in lacs)
	As at 31st March 2017	As at 31st March 2016	
Work-in-progress			
Iron Ore	8,798.81	10,283.93	
Manganese Ore	108.73	174.82	
	8,907.54	10,458.75	
Finished goods and by-product			
Iron Ore	3,908.74	3,486.68	
Iron Ore Pellets	1,513.37	2,887.86	
Manganese Ore	2,369.03	930.81	
Others	1.41	1.41	
	7,792.55	7,306.76	

During the extraction of manganese ore in earlier years, the company had incidentally extracted 41,495.79MT (41,495.79 MT) high-grade iron ore from the Patmunda & Orahuri Manganese Mines, which has been included as a part of inventories and valued accordingly. The Company has already applied to the state government for inclusion of Iron ore also in the manganese ore mining leases.

26. Employee benefits expense			(₹ in lacs)
	2016-17 (12 Months)	2015-16 (9 Months)	
Salaries, wages and bonus	1,656.90	1,414.58	
Contribution to Provident Fund (Refer note no. 32)	55.62	47.97	
Gratuity Expense (Refer note no. 32)	26.32	19.91	
Staff Welfare Expenses	31.30	33.95	
	1,770.14	1,516.41	



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

27. Finance costs (₹ in lacs)

	2016-17 (12 Months)	2015-16 (9 Months)
Interest:		
On Term loans	24,589.63	17,198.60
On Cash Credit, Letters of Credit and Others	3,419.07	1,731.97
Other borrowing costs	290.18	322.79
	28,298.88	19,253.36

28. Depreciation and amortization expense (₹ in lacs)

	2016-17 (12 Months)	2015-16 (9 Months)
Depreciation of tangible assets	5,003.47	3,676.91
Amortisation of intangible assets	1,438.49	846.06
	6,441.96	4,522.97

29. Other expenses (₹ in lacs)

	2016-17 (12 Months)	2015-16 (9 Months)
Consumption of stores and spares	1,480.94	456.50
Cost of raising, excavation and drilling expenses	2,087.94	1,648.43
Royalty	962.43	606.82
Excise Duty on(increase)/decrease in inventory	29.64	6.14
Power and fuel	4,037.07	2,626.73
Operation and maintenance charges	484.87	630.95
Rent	96.63	50.75
Rates and taxes	368.78	38.26
Postage and communication expenses	11.54	7.36
Motor vehicle expenses	119.76	75.85
Security charges	93.24	112.34
Insurance	46.05	9.78
Repairs and maintenance :		
- Plant and machinery	32.27	148.11
- Building	-	0.15
- Others	188.67	79.52
Travelling and conveyance	56.73	159.12
Legal and professional fees	682.07	372.73
Payment to auditor (refer details below)	22.50	23.00
Loss (Surplus) on Fixed Assets Sold	-	0.54
Bad debts/advances written off	195.52	-
Provision for mines restoration charges	0.00	3.18
Loss on foreign exchange fluctuation (Net)	-	184.12
Peripheral development expenses	95.72	26.76
Charity and donations	5.76	0.15
Freight and forwarding expenses	242.97	470.05
Commission on sales	-	11.26
Selling expenses	32.00	3.66
Miscellaneous expenses	395.88	314.74
	11,768.98	8,067.00

Payment to auditor (₹ in lacs)

	2016-17 (12 Months)	2015-16 (9 Months)
As auditor:		
Audit fees	14.00	14.00
Limited review	6.00	6.00
In other capacity:		
Other services (certification fees)	2.50	3.00
	22.50	23.00

30. Exceptional Item (₹ in lacs)

	2016-17 (12 Months)	2015-16 (9 Months)
Provision for Doubtful Debts & Advances	31,108.67	1,698.98
	31,108.67	1,698.98

30.01 Exceptional items for the year ended 31st March 2017 includes : (i) The Company has made provision for doubtful capital advances amounting to ₹ 27,483.37 lacs and on Advance to ₹ 2,016.79 lacs with Other Project and (ii) The Company has made provision for doubtful trade receivable amounting to ₹ 1,698.51 lacs



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

31. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	2016-17 (12 Months)	2015-16 (9 Months)
Net Profit for calculation of basic and diluted EPS	(60,919.75)	(17,740.07)
Weighted average number of Equity Shares in calculating basic and diluted EPS	2,00,00,000	2,00,00,000
Nominal value of Equity Shares (₹)	10.00	10.00
Basic EPS (₹)	(304.60)	(88.70)
Diluted EPS (₹)	(304.60)	(88.70)

32. Employee Benefits

I. Charge to the Statement of Profit and Loss on contributions*

	2016-17 (12 Months)	2015-16 (9 Months)
Employer's contribution to Provident Fund	55.62	47.97
Employer's contribution to Employees' Pension Scheme 1995		

II. Disclosures for defined benefit plans based on actuarial reports

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets Gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1972. The aforesaid scheme are unfunded and as such there are no plan assets. The following table summarizes (to the extent applicable) the components of net benefits / expenses recognized in the financial statements.

(A) Changes in Defined Benefit Obligation

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Present Value of Defined Benefit Obligation as at the beginning of the year	135.71	156.31	181.36
Current Service Cost	26.32	19.91	34.37
Interest Cost	10.72	7.39	14.58
Benefits Paid	-	(49.83)	(38.68)
Actuarial (gains)/loss	(1.58)	1.93	(35.32)
Closing defined benefit obligation	171.17	135.71	156.31

(B) Changes in the Fair Value of Assets

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Fair Value of Plan Assets as at beginning of the year	-	-	-
Expected Return on Plan Assets	-	-	-
Actuarial (gains)/loss	-	-	-
Fair Value of Plan Assets as at end of the year	-	-	-

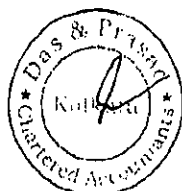
(C) Amount recognised in the Balance Sheet

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
Present Value of Defined Benefit Obligation as at the	171.17	135.71	156.31
Fair value of Plan Assets as at end of the year	-	-	-
Net Liability/(Assets) recognised in the Balance Sheet	(171.17)	(135.71)	(156.31)

(D) Expense recognized in Statement of Profit and Loss

	2016-17 (12 Months)	2015-16 (9 Months)
Gratuity (Unfunded)	26.32	19.91
Current Service Cost	26.32	19.91
Interest cost	-	-
Expected Return on Plan Assets	-	-
Total Expense recognized in Statement of Profit and Loss#	26.32	19.91

* Included in Employee Benefit Expenses.



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(E) Expense recognized in the Other Comprehensive Income (OCI) for Current Year

	2016-17 (12 Months)	2015-16 (9 Months)
	Gratuity (Unfunded)	
(Gain)/Losses on Obligation For the Period- Due to changes in the financial assumptions	12.02	(7.39)
(Gain)/Losses on Obligation For the Period- Due to experience adjustment	(13.60)	9.32
Return on Plan Assets.		
net (Income)/Expense For the Period Recognised in OCI	(1.58)	1.93

(F) The principal assumptions used in determining gratuity and leave encashment obligations for the company's plans are shown below:

	2016-17 (12 Months)	2015-16 (9 Months)
	(₹ in lacs)	
Discount rate	7.35%	7.90%
Salary increase	7.00%	7.00%
Mortality table	LIC (2006-08) Ultimate table	LIC (2006-08) Ultimate table

(G) Amounts for the current period and previous four years are as follows:

	As at 31st March 2017	As at 31st March 2016	As at 30th June 2015	As at 30th June 2014	As at 30th June 2013
	(₹ in lacs)				
Gratuity					
Defined benefit obligation	171.17	135.71	156.31	181.36	142.85
Plan assets					
Surplus/(deficit)	(171.17)	(135.71)	(156.31)	(181.36)	(142.85)
Experience adjustments on plan liabilities	(1.58)	1.93	(35.32)	(22.85)	(80.72)
(gains)/losses					

Note:

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

33. Capital and other commitments

As at March 31, 2016, the Company has commitments of ₹ 1,100.74 lacs (₹ 2,424.25 lacs) relating to estimated amount of contracts remaining to be executed on capital projects and not provided for.

34. Contingent liabilities

	As at 31st March 2017	As at 31st March 2016
	(₹ in lacs)	
(i) Outstanding Bank Guarantees and Bills Discounted	1,695.50	611.10
(ii) Custom Duty on Import of equipments and spare parts under EPCG Scheme	703.75	771.07
(iii) Excise/Service tax demand under dispute/ appeal	10,747.23	2,280.00
(iv) Employees' Provident Fund		61.00
(v) Others	437.15	1,432.45
	13,583.63	5,155.62

(vi) The Company has received a demand for payment of ₹ 2,641.02 lacs as Net Present Value (NPV) towards afforestation charges relating to the forest area proposed to be surrendered by the Company in respect of its existing manganese ore mines in Odisha. However, based on the order passed by the government authority, the Company is presently required to deposit ₹ 1,320.51 lacs i.e. 50% of NPV demand and also to submit an undertaking to the concerned authority that it will deposit the balance 50% of NPV i.e. ₹ 1,320.51 lacs if it is so decided by the Hon'ble Supreme Court in a similar case. The above amount to be so deposited may be refunded to the Company in case the Hon'ble Supreme court in a similar case, decides that no such NPV is payable by the lessee for the surrendered lease area.

Pending the Supreme Court decision, the Company has provided and capitalized 50% of the NPV i.e. ₹ 1,320.51 lacs as 'mining right' under 'Intangible assets', which will be amortized over the remaining lease period of the mine.

(vii) The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring Issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/ to be made by CDR Lenders under obligor and co-obligor structure (Refer Note No 14 (A)) as per the CDR package is approximately ₹ 173,022.00 lacs.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

35. Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at the balance sheet date	₹ in lacs	
	As at 31st March 2017	As at 31st March 2016
Foreign Currency Term Loan	23,579.62	23,216.52
Trade Receivables	151.96	146.69
Trade Payable	36.07	47.23
	<u>23,767.65</u>	<u>23,410.44</u>

36. The Mining Leases pertaining to the various mines have already expired and the Company's applications for renewal thereof are pending with the concerned authorities. The Company had filed applications for renewal of these leases at least 12 months before the expiry of the respective lease period. Accordingly, as per the provisions under MCR (Mineral Concession Rules), 1960, Rule 24A (1) & Rule 24A (5), the periods of said leases are deemed to have been extended by a further period till the State Government passes an order thereon. In view of above, these accounts have been prepared on a Going Concern Basis.

37. Value of Imports Calculated on C.I.F. basis:

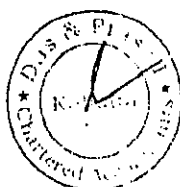
	₹ in lacs	
	2016-17 (12 Months)	2015-16 (9 Months)
Capital Goods	31.20	67.14
Stores and Spare Parts	<u>31.20</u>	<u>67.14</u>

38. Expenditure in foreign currency:

	₹ in lacs	
	2016-17 (12 Months)	2015-16 (9 Months)
Professional and Consultancy Charges	-	2.07
Subscription	0.33	0.76
Others	<u>0.33</u>	<u>2.83</u>

39. Imported and Indigenous raw materials and spare parts consumed

	% of total consumption 2016-17 (12 Months)	Value (₹ in Lacs) 2016-17 (12 Months)	% of total consumption 2015-16 (9 Months)	Value (₹ in Lacs) 2015-16 (9 Months)
Raw Materials				
Imported	100	12,096.64	100	7,613.54
Indigenous	100	12,096.64	100	7,613.54
Total				
Store and Spare parts				
Imported	2	31.20	15	67.14
Indigenous	98	1,449.74	85	389.36
Total	<u>100</u>	<u>1,480.94</u>	<u>100</u>	<u>456.50</u>



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

40. Segment Information

(i) **Business Segment:** The business segments have been identified on the basis of the products of the Company. Accordingly, the Company has identified "Mining" and "Iron & Steel" as the operating segment.

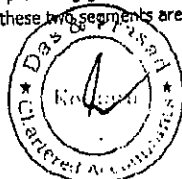
	₹ In lacs		
Particulars	Mining	Iron and Steel	Total
(A) Revenue (Gross)			
External sales	10,126.39 (9,736.84)	39,886.54 (11,906.67)	50,012.93 (21,643.51)
Inter Segment sales	-	-	-
Less: Elimination of Inter Segment sales	-	-	-
Total Revenue from operations	10,126.39 (9,736.84)	39,886.54 (11,906.67)	50,012.93 (21,643.51)
(B) Results			
Segment results before interest, Exceptional Item and tax	1,921.61 (201.93)	(6,241.40) (2,409.15)	(4,319.81) (2,207.22)
Unallocated (Income)/Expenses (net of unallocable income/expenses)			22.50 (23.00)
Exceptional Item			31,108.67 (1,698.98)
Profit/(loss) before interest and taxation			(35,450.98) (3,929.20)
Finance Costs (Net)			28,003.62 (19,048.76)
Tax expenses			(2,534.85) (5,237.90)
Net Profit / (Loss)			(60,919.75) (17,740.07)
(C) Total Assets			
Segment assets	47,048.80 (55,727.47)	1,06,340.17 (1,13,815.22)	1,53,388.98 (1,69,542.69)
Unallocated assets			99,912.54 (1,18,595.22)
Total assets			2,53,301.52 (2,88,137.92)
(D) Total Liabilities			
Segment liabilities	7,501.89 (8,484.35)	5,273.87 (13,294.48)	12,775.76 (21,778.83)
Unallocated liabilities			2,70,921.65 (2,49,068.37)
Total liabilities			2,83,697.41 (2,70,847.20)
(E) Other Segment Information			
Capital expenditures:			
Tangible	98.93 (6.59)	- (668.30)	98.93 (674.89)
Intangible	(757.63)	-	(757.63)
Depreciation and amortisation	3,281.23 (2,179.72)	3,160.73 (2,343.25)	6,441.97 (4,522.97)
Non cash expenses other than depreciation	-	-	-

(ii) **Geographical Segment:** The Company primarily operates in India and therefore the analysis of geographical segment is based on the areas in which Information for Secondary Geographical Segments:

	2016-17 (12 Months)	2015-16 (9 Months)
Domestic Revenues	50,012.93	21,643.51
Export Revenues	-	-
Total	50,012.93	21,643.51

	As at 31st March 2017	As at 31st March 2016
Domestic Trade Receivables	47,899.81	25,645.82
Export Trade Receivables	151.95	146.69
Total	48,051.77	25,792.51

(iii) Since the Company has common fixed assets for producing goods for domestic and overseas markets and there are no overseas fixed assets, separate figures for fixed assets / additions to fixed assets for these two segments are not furnished.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

41. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at 31st March 2017	As at 31st March 2016	As at 1st Jul 2015
i) Equity share capital	15,211.00	2,000.00	2,000.00
ii) Other equity	(45,606.89)	15,290.72	33,034.81
Total Equity (a)	(30,395.89)	17,290.72	35,034.81
i) Borrowings	2,26,426.04	2,37,068.65	2,19,650.05
ii) Interest accrued and due on borrowings	16,592.69	720.61	184.11
iii) Current Maturity of long term debt	27,633.44	11,046.89	594.86
Total debt (b)	2,70,652.17	2,48,836.15	2,20,429.02
i) Cash and cash equivalents	214.21	235.28	1,731.41
Total cash (c)	214.21	235.28	1,731.41
Net debt {d=(b-c)}	2,70,437.96	2,48,600.87	2,18,697.61
Total capital (equity + net debt)	2,40,042.07	2,65,891.59	2,53,732.42
Net debt to equity ratio	(8.90)	14.38	6.24

42. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, security deposits, employee liabilities, unpaid and finance lease obligation. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist personnel's that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2017 and 31 March 2016.

The sensitivity analyses have been prepared on the basis that the amount of debt and derivatives.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017, 31 March 2016 and 1 July 2015.

The sensitivity of equity is calculated by considering the effect of any associated derivatives at 31 March 2017 and 31 March 2016 for the effects of the assumed changes of the underlying risk.

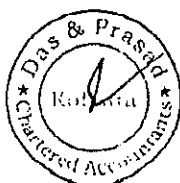
Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of derivative instruments. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

	Increase/ decrease in basis points	Effect on profit before tax	Effect on post-tax equity
31st March, 2017			
₹ in Lacs	+ 100	-2,226.98	-1,504.43
₹ in Lacs	(-) 100	2,226.98	1,504.43
31st March, 2016			
₹ in Lacs	+ 100	-2,157.79	-1,457.70
₹ in Lacs	(-) 100	2,157.79	1,457.70
1st July, 2015			
₹ in Lacs	+ 100	-1,944.02	-1,313.28
₹ in Lacs	(-) 100	1,944.02	1,313.28

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all currencies other than US Dollars is not material.

	Change in USD rate	Effect on profit before tax	Effect on post-tax equity
31st March, 2017			
₹ in Lacs	+ 10 %	(3.12)	-2.11
₹ in Lacs	(-) 10 %	3.12	2.11
31st March, 2016			
₹ in Lacs	+ 10 %	(6.71)	-4.54
₹ in Lacs	(-) 10 %	6.71	4.54
1st July, 2015			
₹ in Lacs	+ 10 %	(6.74)	-4.56
₹ in Lacs	(-) 10 %	6.74	4.56

The movement in the post-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in ₹, where the functional currency of the entity is a currency other than ₹. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each divisions subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The risk relating to trade receivables is shown under note no 9.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, buyer's credit and other means of borrowings. The company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risk.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

	On Demand	Less than 1 Year	1 to 5 Years	> 5 Years	Total
As at 31st March 2017					
Borrowings	30,594.09	-	1,40,254.50	55,577.45	2,26,426.04
Trade payables	-	5,327.89	-	-	5,327.89
Derivatives- Cross-currency interest rate swap	-	-	-	-	-
Other financial liabilities	-	45,986.41	-	-	45,986.41
	30,594.09	51,314.30	1,40,254.50	55,577.45	2,77,740.34
As at 31st March 2016					
Borrowings	18,569.41	-	1,00,790.02	1,17,709.22	2,37,068.65
Trade payables	-	15,382.40	-	-	15,382.40
Derivatives- Cross-currency interest rate swap	-	-	-	-	-
Other financial liabilities	-	13,758.33	-	-	13,758.33
	18,569.41	29,140.73	1,00,790.02	1,17,709.22	2,66,209.38



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Orissa Manganese & Minerals Limited

Notes to Financial Statements for the period ended 31st March 2017

As at 1st July 2015

Borrowings	14,488.92		79,839.22	1,25,321.91	2,19,650.05
Trade payables		11,899.58			11,899.58
Derivatives- Cross-currency interest rate swap					
Other financial liabilities		3,452.64			3,452.64
	<u>14,488.92</u>	<u>15,352.22</u>	<u>79,839.22</u>	<u>1,25,321.91</u>	<u>2,35,002.27</u>

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which Income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 (I) to the financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

	Derivative Instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets:				
Trade receivables	-	48,051.77	48,051.77	48,051.77
Investments	-	52,265.02	52,265.02	52,265.02
Bank balance other than Cash and cash equivalents	-	649.86	649.86	649.86
Loans	-	69.59	69.59	69.59
Cash and cash equivalents	-	214.21	214.21	214.21
Other financial assets	-	3,001.38	3,001.38	3,001.38
Total	-	<u>1,04,251.83</u>	<u>1,04,251.83</u>	<u>1,04,251.83</u>
Liabilities:				
Borrowings	-	2,26,426.04	2,26,426.04	2,26,426.04
Other financial Liabilities	-	45,986.41	45,986.41	45,986.41
Trade payables	-	5,327.89	5,327.89	5,327.89
Total	-	<u>2,77,740.34</u>	<u>2,77,740.34</u>	<u>2,77,740.34</u>

The carrying value of financial instruments by categories as of March 31, 2016 is as follows:

	Derivative Instruments not	Amortised cost	Total carrying	Total fair value
Assets:				
Trade receivables	-	25,792.51	25,792.51	25,792.51
Investments	-	52,265.02	52,265.02	52,265.02
Bank balance other than Cash and cash equivalents	-	811.75	811.75	811.75
Loans	-	78.06	78.06	78.06
Cash and cash equivalents	-	235.28	235.28	235.28
Other financial assets	-	2,503.12	2,503.12	2,503.12
Total	-	<u>81,685.74</u>	<u>81,685.74</u>	<u>81,685.74</u>
Liabilities:				
Borrowings	-	2,37,068.65	2,37,068.65	2,37,068.65
Other financial Liabilities	-	13,758.33	13,758.33	13,758.33
Trade payables	-	15,382.40	15,382.40	15,382.40
Total	-	<u>2,66,209.38</u>	<u>2,66,209.38</u>	<u>2,66,209.38</u>

The carrying value of financial instruments by categories as of July 1, 2015 is as follows:

	Derivative instruments not	Amortised cost	Total carrying	Total fair value
Assets:				
Trade receivables	-	16,846.51	16,846.51	16,846.51
Investments	-	52,000.27	52,000.27	52,000.27
Bank balance other than Cash and cash equivalents	-	979.81	979.81	979.81
Loans	-	74.97	74.97	74.97
Cash and cash equivalents	-	1,731.41	1,731.41	1,731.41
Other financial assets	-	1,502.92	1,502.92	1,502.92
Total	-	<u>73,135.88</u>	<u>73,135.88</u>	<u>73,135.88</u>
Liabilities:				
Borrowings	-	2,19,650.05	2,19,650.05	2,19,650.05
Other financial Liabilities	-	3,452.64	3,452.64	3,452.64
Trade payables	-	11,899.58	11,899.58	11,899.58
Total	-	<u>2,35,002.27</u>	<u>2,35,002.27</u>	<u>2,35,002.27</u>

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.



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Orissa Manganese & Minerals Limited**Notes to Financial Statements for the period ended 31st March 2017**

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	Level 1	Level 2	Level 3
As at March 31, 2017			
Financial Assets:			
Derivative Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	-	-
Total	-	-	-
As at March 31, 2016			
Financial Assets:			
Derivative Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	-	-
Total	-	-	-
As at June 30, 2015			
Financial Assets:			
Derivative Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	-	-
Total	-	-	-

Notes:

- i) The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.
- ii) Derivatives are fair valued using market observable rates and published prices together with forecast cash flow information where applicable.
- iii) Investments are stated at amortized cost which is approximately equal to their fair value.
- iv) There have been no transfers between level 1 and level 2 for the years ended March 31, 2017 and 2016.



Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

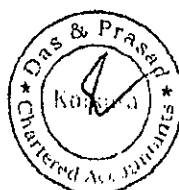
43, First time adoption Ind AS reconciliations

a) Reconciliations of Balance Sheet

Notes	As at 31st March 2016			As at 1st July 2015		
	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
ASSETS						
Non-Current Assets						
(a) Property, plant and equipment	3.1	76,217.09	-	76,217.09	79,826.67	79,826.67
(b) Capital work-in-progress	3.2	802.82	(389.85)	412.97	197.55	188.71
(c) Intangible assets	3.1	5,513.36	17.32	5,530.69	5,601.80	5,622.31
(d) Financial assets :						
(i) Investments	4	52,265.02	-	52,265.02	52,000.27	52,000.27
(ii) Other Financial assets	6	5,366.10	(3,754.41)	1,611.69	5,368.53	1,494.88
(e) Other Non Current Assets	7	56,994.48	-	56,994.48	51,506.15	51,506.15
Total Non-Current Assets		1,97,158.88	(4,126.94)	1,93,031.94	1,94,500.99	1,90,638.99
Current Assets						
(a) Inventories	8	22,576.21	-	22,576.21	23,088.94	23,088.94
(b) Financial assets:						
(i) Trade receivables	9	25,792.51	-	25,792.51	16,846.51	16,846.51
(ii) Cash and cash equivalents	10	235.28	-	235.28	1,731.41	1,731.41
(iii) Bank balance other than (ii) above	11	811.75	-	811.75	979.81	979.81
(iii) Loans	5	78.06	-	78.06	74.97	74.97
(iv) Other Financial assets	6	891.43	-	891.43	8.04	8.04
(c) Other Current Assets	7	44,720.74	-	44,720.74	49,621.25	49,621.25
Total Current Assets		95,105.98	-	95,105.98	92,350.93	92,350.93
Total Assets		2,92,264.86	(4,126.94)	2,88,137.92	2,86,851.93	2,82,989.92
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	12	2,000.00	-	2,000.00	2,000.00	2,000.00
(b) Other equity	13	19,988.89	(4,698.17)	15,290.72	37,298.08	(4,263.28)
Total Equity		21,988.89	(4,698.17)	17,290.72	39,298.08	35,034.81
Liabilities						
Non-Current Liabilities						
(a) Financial liabilities:						
(i) Borrowings	14	2,17,620.79	878.45	2,18,499.24	2,04,648.53	512.60
(ii) Other financial Liabilities	15	1,196.06	-	1,196.06	1,695.28	-
(b) Provisions	18	183.91	80.31	264.22	238.75	71.55
(c) Deferred tax liabilities (net)	17	820.52	(387.53)	432.99	5,083.70	(182.87)
Total Non-Current Liabilities		2,19,821.28	571.23	2,20,392.51	2,11,666.25	401.27
Current liabilities						
(a) Financial liabilities:						
(i) Borrowings	14	18,569.41	-	18,569.41	14,488.92	-
(ii) Trade payables	19	15,382.40	-	15,382.40	11,899.58	-
(iii) Other financial Liabilities	15	12,562.27	-	12,562.27	1,757.36	-
(b) Other current liabilities	20	3,866.05	-	3,866.05	7,705.35	-
(c) Provisions	17	74.56	-	74.56	36.37	-
Total Current Liabilities		50,454.69	-	50,454.69	35,887.59	-
Total Equity and Liabilities		2,92,264.86	(4,126.94)	2,88,137.92	2,86,851.93	2,82,989.92

b) Reconciliation of total comprehensive income for the year ended March 31, 2016

Notes	As at 31st March 2016		
	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Revenue from operations (Gross)	21	21,824.10	(180.59)
Less: Excise Duty		1,411.39	(1,411.39)
Revenue from operations (Net)		20,412.71	1,230.80
Other Income	22	1,769.85	119.26
Total revenue		22,182.56	1,350.06
Expenses			
Cost of raw materials consumed	23	7,613.55	-
Change in Inventories of work-in-progress, stock-in-trade, by-products and finished	25	2,433.06	(6.14)
Excise duty on sale of goods		1,411.39	1,411.39
Employee benefits expenses	26	1,534.35	(17.94)
Finance costs	27	18,610.75	642.61
Depreciation and amortization expenses	28	4,522.97	-
Other expenses	29	8,113.27	(46.27)
Total expenses		42,827.94	1,983.66



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

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Profit/(Loss) Before Exceptional Item

Exceptional Items

Profit/(Loss) before tax

Less: Tax expenses :

Current tax

Deferred tax

MAT credit entitlement

Income Tax relating to earlier years

Profit/(Loss) for the year

Other Comprehensive Income/(Expenses) (OCI)

A. Items that will be reclassified to profit or loss:

Exchange differences on translation of foreign operations

Less: Income Tax effect

B. Items that will not be reclassified to profit or loss:

Remeasurement gains/(losses) on defined benefit plans

Less: Income Tax effect

Revaluation of land/railway siding

Less: Income Tax effect

Net (loss)/gain on FVTOCI equity securities

Less: Income Tax effect

Other Comprehensive Income/(Expenses) (OCI), net of taxes

Total Comprehensive Income /(Loss) for the year

c) Effects of IND AS adoption on Total Equity

(20,645.38)	(633.60)	(21,278.99)
1,698.98	-	1,698.98
(22,344.36)	(633.60)	(22,977.97)
-	-	-
(4,263.18)	(202.73)	(4,465.90)
-	-	-
(771.99)	-	(771.99)
(17,309.18)	(430.87)	(17,740.07)
-	-	-
-	5.95	5.95
-	1.93	1.93
-	4.02	4.02
-	-	-
-	-	-
-	-	-
-	4.02	4.02
(17,309.18)	(426.84)	(17,736.05)

	As at 31st March 2016	As at 30th June 2015
Net Worth under IGAAP	21,989.12	39,298.32
Interest	(1,131.33)	(512.60)
Credit Allowances	(128.18)	-
Interest Income	(3,873.67)	(3,873.67)
Mines Restoration	(51.04)	(51.04)
Deferred Tax	385.60	182.87
Other adjustment	100.22	(9.08)
Net Worth under IND AS	17,290.72	35,034.81

d) Effects of IND AS adoption on Cash Flows for year ended 31 March 2016

	Amount As Per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net Cash Generated/(Used) From Operating Activities	(8,815.83)	(205.23)	(9,021.06)
Net Cash Used In Investing Activities	(1,939.39)	494.66	(1,444.73)
Net Cash from Financing Activities	9,259.09	(289.43)	8,969.66
Net Increase / (Decrease) In Cash And Cash Equivalents	(1,496.13)	-	(1,496.13)
Cash & Cash Equivalents at the beginning of the year	1,731.41	-	1,731.41
Cash & Cash Equivalents at the end of the year	235.28	-	235.28

Notes:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. Financial liabilities and related transaction costs:

Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

3. Financial assets at amortised cost:

Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

4. Deferred tax as per balance sheet approach:

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

5. Excise duty:

Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under IND AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

6. Defined benefit liabilities:

Under IND AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

7. Other comprehensive income:

Under IND AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes remeasurements of defined benefit plans, foreign currency monetary item translation difference account, effective portion of gains and losses on cash flow hedging instruments and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

44. The company holds 50% interest in Neepaz B.C. Dagara Steels Private Ltd., a jointly controlled entity which would be involved in mining of iron ore in Odisha.

I) The Company's share of the assets and liabilities of the said jointly controlled entity based on financial statements for the nine months period ended 31st March 2017, are as follows:

	(₹ in lacs)	
	As at 31st March 2017	As at 31st March 2016
Current assets	37.49	37.48
Current liabilities	(48.76)	(48.30)
Equity	(11.27)	(10.82)

II) The Company's share of the Profit & Loss of the said Jointly controlled entity based on financial statement for nine months period ended 31st March 2017, are as follows:

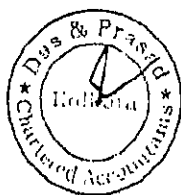
	(₹ in lacs)	
	As at 31st March 2017	As at 31st March 2016
Income:	-	-
Expenses:	(0.45)	(0.08)
Tax Expenses	-	-

III) There are no capital commitment and contingent liability of the above jointly controlled entity, as at the balance sheet date.

45. Related party disclosures

a) Names of related parties and related party relationship

Holding Company	Adhunik Metaliks Limited
Subsidiary and Step down subsidiary Companies	Orchid Global Resources Pte Ltd Vasundhara Resources Limited Global Commodity & Resources Pte Limited
Associate Companies	Adhunik Power & Natural Resources Limited Mccluskie Coal & Power Limited
Joint venture company	Neepaz B C Dagara Steels Private Limited
Key management personnel	Mr. Ghanshyam Das Agarwal, Director Mr. Jugal Kishor Agarwal, Director Mr. Nirmal Kumar Agarwal, Director Mr. Mohan Lal Agarwal, Director Mr. Sanjay Pratap, Director
Enterprises over which Key management personnel / Share holders / Relatives have significant Influence	Adhunik Alloys & Power Limited Adhunik Infotech Limited Adhunik Steels Limited Adhunik Corporation Limited Futuristic Steels Limited Adhunik Industries Limited



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

(b) Related party transactions

(₹ in lacs)

Nature of Transactions	Holding Company	Subsidiary and Step down Subsidiary Companies	Associate Company	Joint Venture Company	Key management personnel	Enterprises over which Key management personnel/Share holders/Relatives have significant influence	Total
Sales of goods and services							
Adhunik Metaliks Limited	100.01 (370.72)						100.01 (370.72)
Adhunik Alloys & Power Limited						6,434.28 (4,071.36)	6,434.28 (4,071.36)
Adhunik Corporation Limited						295.10 (767.89)	295.10 (767.89)
Purchases of raw materials and services							
Adhunik Metaliks Limited	7.57 (2.67)						7.57 (2.67)
Conversion, accounting, rent and other charges paid							
Adhunik Alloys & Power Limited						1,996.19 (1,166.56)	1,996.19 (1,166.56)
Adhunik Infotech Limited						77.17 (55.98)	77.17 (55.98)
Share application money outstanding							
Orchid Global Resources Pte Ltd		(264.00)					(264.00)
Balance outstanding as at the end of the period - debit							
Adhunik Power & Natural Resources Limited			1.04 (0.71)				1.04 (0.71)
Adhunik Infotech Limited						12.72 (11.88)	12.72 (11.88)
Mccluskie Coal & Power Limited			0.75 (0.75)				0.75 (0.75)
Neepaz B.C. Dagra Steels Private Limited				35.05 (27.33)			35.05 (27.33)
Zion Steel						54.42 (46.27)	54.42 (46.27)
Adhunik Metaliks Limited	38,189.66 (36,506.29)						38,189.66 (36,506.29)
Adhunik Corporation Limited						586.70 (1,223.88)	586.70 (1,223.88)
Vasundhara Resources Limited		125.20 (125.20)					125.20 (125.20)
Adhunik Alloys & Power Limited						3,479.50 (3,572.25)	3,479.50 (3,572.25)
Orchid Global Resources Pte Limited		10.89 (11.14)					10.89 (11.14)
Adhunik Steels Limited						4,454.23 (26,734.82)	4,454.23 (26,734.82)
Balance outstanding as at the end of the period - credit							
Global Commodity & Resources Pte Limited		(18.17) (18.17)					(18.17) (18.17)
Futuristic Steels Limited						227.63 (227.63)	227.63 (227.63)
Adhunik Infotech Limited							-



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Orissa Manganese & Minerals Limited
Notes to Financial Statements for the period ended 31st March 2017

46. The Board of Directors of the Company in its meeting held on July 22, 2013 has approved to amalgamate Zion Steel Limited (ZSL) with Adhunik Metaliks Limited (AML) and to amalgamate the Adhunik Metaliks Limited (post amalgamation of ZSL) with the Company, through a composite scheme of amalgamation between ZSL, AML and the Company (the Scheme) in accordance with the provision of Section 391 to 394 of the Companies Act, 1956. The appointed date of the amalgamation is 1st July 2012. The scheme has been approved by the Shareholders and Creditors of the above Companies in their meeting held on 19th and 20th April 2014 respectively and the Official Liquidator, Orissa High Court, Cuttack has submitted its report dated 17th July 2014 that the affairs of the Company appears to have not been conducted in a manner prejudicial to the interest of its members or to public interest and the Hon'ble High Court may consider to pass order as deemed fit and proper in that manner. Upon effectiveness of the Scheme, every shareholder of ZSL holding 17 (seventeen) fully paid-up equity shares of ₹10/- each shall be entitled to receive 1 (one) fully paid-up equity shares of ₹10/- each in AML and every shareholder of the AML (post amalgamation of ZSL) holding 1 (one) fully paid-up equity shares of ₹10/- each shall be entitled to receive 1 (one) fully paid-up equity shares of ₹10/- each in the Company.
47. In view of the Company incurring losses continuously and current liabilities exceeding the current assets, there has been an erosion of net worth. The Company's financial performance has been adversely affected due to non-availability of raw materials at viable prices, non-availability of working capital for operations, continued stress in steel sector with weak demand and prices, and other external factors beyond the Company's control. With the improvement in raw material availability, likely improvement in market scenario, cost synergies from merger, conversion of debts into equity and debt restructuring as may be agreed with lenders, it is expected that the overall financial health of the Company would improve considerably. Considering the above developments and favorable impact thereof on the Company's operations and financials, the Company has prepared the financial results on the basis of going concern assumption to which the Statutory Auditors have also drawn attention without qualifying their opinion in their Audit Report.
48. Advances, Trade Payable and Trade Receivables are subject to confirmation from respective parties and consequential reconciliation / adjustment arising there from, if any. The management, however, does not expect any material variation. Provisions, wherever considered necessary, have been made.
49. The Board of Orissa Manganese & Minerals Limited (OMML) at its meeting held on May 12, 2017 has issued and allotted 132,110,000 fully paid-up equity shares pursuant to conversion of 132,110,000, 0.01% Compulsorily Convertible Preference shares and consequent to the said allotment the holding of Adhunik Metaliks Limited in OMML has reduced from 100% to 13.15%. In view of the aforesaid allotment Orissa Manganese & Minerals Limited ceased to be a subsidiary of Adhunik Metaliks Limited w.e.f. May 12, 2017.
50. Casual vacancy has been created in the place of Company Secretary w.e.f. 31st December 2014 due to resignation of Company Secretary. The Company is in the process of appointing Company Secretary to comply with the provisions of The Companies Act, 2013. Further the Company is also in process of appointing Chief Financial Officer to comply with the provision of The Companies Act, 2013.
51. During the year ended 31st March 2017 the company has identified certain items of inventories amounting to ₹ 86.20 lacs which have either no movement or very little movement over last one year. The Company is in the process of getting technical/commercial/ market evaluation of the same.
52. Section 2(41) of the companies Act 2013 requires all companies to have their financial year ending on 31st March. The Company has adopted this change from the previous financial year and accordingly, the previous financial year of the company is for nine month period from 1st July 2015 to 31st March 2016 (herein after referred as "Year ended 31st March 2016"). Accordingly, the figure for the current financial year are not comparable to those of the previous year.
53. The financial statements are approved by the audit committee at its meeting held on 26th May, 2017 and by the Board of Directors on the same date.

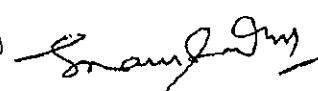
As per our report of even date

For Das & Prasad,
Firm Registration Number: 303054E
Chartered Accountants

Anil Kumar Agarwal
Partner
Membership No. 062368
Place : Kolkata
Date : 26th May 2017

For and on behalf of the Board of Directors of
Orissa Manganese & Minerals Limited


Nirmal Kumar Agarwal
(Director)


Ghanshyam Das Agarwal
(Director)