

FERRO ALLOYS CORPORATION LIMITED

(Company under Corporate insolvency resolution process by NCLT Order, dated 6th July, 2017)

Regd Office: D.P. Nagar, Randia- 756 135 Dist: Bhadrak (Odisha) CIN: L45201OR1955PL008400

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Statement of Standalone Unaudited Financial Results For The Quarter Ended 30th June, 2017

(₹ In Lacs)

S. No.	Particulars	Standalone	
		Quarter Ended	
		30.06.2017 (Unaudited)	30.06.2016 (Unaudited)
(1)	(2)	(3)	(4)
I	Revenue from operations	14,476.53	13,720.25
II	Other income	161.62	31.56
III	Total Income (I+II)	14,638.15	13,751.81
IV	Expenses		
	Cost of materials consumed	4,734.81	5,795.07
	Changes in inventories of finished goods and work-in-progress	(1,251.31)	222.88
	Excise Duty	634.45	758.27
	Employee benefits expense	1,139.36	945.52
	Finance Costs	288.94	400.42
	Depreciation and amortization expense	143.47	149.34
	Other expenses		
	Power and Fuel	3,506.30	3,474.22
	Mining, handling and other production expenses	639.34	782.20
	Royalty	899.05	321.40
	Work Expenses	665.08	378.67
	Others	925.70	826.45
	Total Expenses (IV)	12,325.19	14,054.44
V	Profit before exceptional items and tax (III-IV)	2,312.96	(302.63)
VI	Exceptional Item		
	- Profit/ (Loss) on sale of fixed assets	2,484.01	(0.07)
VII	Profit before tax (V+VI)	4,796.97	(302.70)
VIII	Tax expense/(credit)		
	(1) Current tax	1,026.27	-
	(2) Deferred tax	(34.86)	(128.19)
	(3) Income Tax for earlier years	-	(20.46)
IX	Net Profit/(Loss) for the period after tax (VII-VIII)	3,805.56	(154.05)
X	Other Comprehensive income/(loss)		
a)	Items that will not be reclassified to profit or loss	(1.55)	0.65
	Income tax relating to items that will not be reclassified to profit or loss	-	-
	Total other comprehensive income/(loss)	(1.55)	0.65
XI	Total comprehensive income/(loss) for the period (net of taxes) (IX+X)	3,804.01	(153.40)
XII	Paid-up equity share capital (face value of ₹ 1/- each)	1,852.68	1,852.68
XIII	Earning per share (EPS) (not annualised):		
	(a) Basic EPS	2.05	(0.08)
	(b) Diluted EPS	2.05	(0.08)

See accompanying notes to the financial results



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Notes:

1. The Company is under Corporate Insolvency Resolution process (CIRP) vide National Company Law Tribunal, Kolkata Bench (NCLT) order dated 6th July, 2017. Mr. K.G.Somani has been appointed as Resolution Professional for the Company. The time allowed for resolution is 180 days from 6th July, 2017, which can be extended by further period of 90 days. In terms of section 17 of the Insolvency and Bankruptcy Code, 2016, the powers of the Board stands suspended with effect from 6th July, 2017 and are now being exercised by the Resolution Professional.
2. Under the current CIRP, a resolution plan needs to be presented and approved by the Committee of Creditors (COC) and thereafter will need to be approved by the National Company Law Tribunal (NCLT) to keep the Corporate Debtor (Ferro Alloys Corporation Limited) as a going concern. Currently, the resolution plan is under formulation and is to be presented for approval of COC. The Financial Statements of the Company are prepared on the going concern basis.
- 3 Pursuant to Regulation 29 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Resolution Professional on Thursday, 14th September, 2017, has considered the Unaudited Financial Results of the Company for the quarter ended 30th June, 2017, duly authenticated and signed by the authorized officials of the Company as per the law.
- 4 The Statutory Auditors have carried out a Limited Review of the Financials results of the quarter ended June 30, 2016 and June 30, 2017 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5 The company has presented for the first time its financial results under Indian Accounting Standards (Ind AS) from April 1, 2017. Financial results for the comparative previous period have also been presented in accordance with Ind AS. Reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind-AS is given as under:-

(₹ In Lacs)

Particulars	Quarter ended 30.06.2016 (Unaudited)
Net Profit after tax as per previous GAAP	(143.74)
Interest Impact on financial assets	(14.49)
Depreciation and amortization - Increase due to upward revaluation of leasehold	(1.27)
Deferred tax impact	5.45
Net Profit after tax for the period as per Ind AS	(154.05)
Add: Other comprehensive income - Equity instruments measured through OCI	0.65
Total Comprehensive income as per IND AS	(153.40)

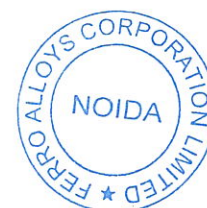
- 6 The Company adopted Indian Accounting Standards ("Ind AS") and accordingly the financial results for all periods presented have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The date of transition to Ind AS is April 1, 2016. There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statement as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by Minister of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
- 7 The Statement does not include Ind AS - compliant results for the preceding quarter and previous year ended March 31, 2017 as the same are not mandatory as per SEBI's circular dated 5th July, 2016
- 8 As the Company's business activities fall within a single significant primary business segment i.e. "Ferro Alloys", no separate segment information is disclosed.
- 9 (a) The claim under Corporate guarantee for Rs.142.40 Crores given by the Company for Facor Steels Limited with Facor Alloys Limited has been invoked to the extent of Rs.33.82 Crores which liability the Company is contesting.
(b) The Corporate Guarantee given by the Company for its subsidiary Facor Power Limited to Rural Electrification Corporation Ltd. (REC) has been invoked amounting to Rs. 510.98 Crores and interest thereon which liability, the Company is contesting.
- 10 During the current quarter, Chrome ore Inventory has been valued at cost of production including direct expenses transferred from mines as against valuing it at transfer price till last year. This has resulted in decrease in profit by Rs. 87.52 lakhs in the current quarter.
- 11 The company has adopted Ind AS with effect from April 1, 2017 with comparatives restated.

By Order of the Resolution Professional
For Ferro Alloys Corporation Limited


Vashpal Mehta
Chief Financial Officer


Ritesh Chaudhary
Sr. GM (Legal) & Company Secretary


R K Saraf
Chairman & Managing Director
DIN 00006102



Place : Noida, UP

Date : 14th September, 2017