



A GOOD TIME

TO THINK BIGGER TO ENGAGE BETTER TO DELIVER MORE VALUE

51ST

ANNUAL REPORT

12/13

Indian Metals & Ferro Alloys Limited



Forward Looking Statement

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

Your way forward

IMFA - On
the go

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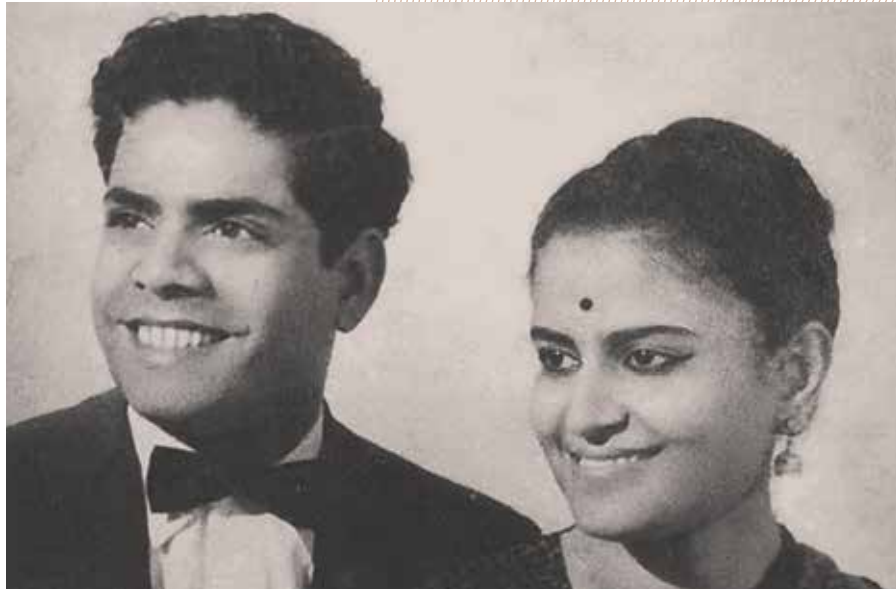
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Our inspiration

Dr Bansidhar Panda and Mrs Ila Panda

Chairman's communiqué



Dr Bansidhar Panda
Executive Chairman

When an enterprise has already completed a journey of more than fifty years, the pertinent question to ask is: 'What's the roadmap for the next fifty?'



I started my journey with a simple vision: to contribute meaningfully to the socio-economic development of my country in general and my home state of Odisha in particular.

I started my journey with a simple vision: to contribute meaningfully to the socio-economic development of my country in general and my home state of Odisha in particular. Although many milestones have been achieved, the journey still continues as there is much more to accomplish.

As we move forward, we will continue to build on our strengths. That is, enhance mine-to-market integration, strengthen relationships with existing customers, scout for emerging global opportunities, augment captive power capacity and most importantly, widen and deepen our community initiatives. I believe in the Gandhian principle of being the 'change' we want to see; so I would like IMFA to be the driver of change, however modest, in a twenty first century resurgent India.

Times are challenging and growth doesn't come easy. However, India's socio-economic canvas presents significant potential for growth. India's per capita stainless steel consumption is half the global average; focus on infrastructure, rapid urbanisation and aspiration for a better quality of life mean that demand for ferro chrome will continue to rise. Hence, there is much to be optimistic about going ahead.

As IMFA readies itself for the next phase of growth, we will sharpen our focus on our core values of commitment to excellence, ethical business practices, sustainable operations and bonding with the community around us.

I am delighted with the dedication of the Management Team and would also like to thank all stakeholders for their support.

Thank you,

Dr Bansidhar Panda
Executive Chairman



I believe in the Gandhian principle of being the 'change' we want to see; so I would like IMFA to be the driver of change, however modest, in a twenty first century resurgent India.



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Managing Director's insight

At IMFA, we have always believed that challenges are opportunities in disguise.



Subhrakant Panda
Managing Director



2012-13 was a challenging year due to adverse economic conditions globally. Nonetheless, we countered the headwinds admirably and posted a record turnover of Rs. 1,273.25 Crores and a 20.24% increase in EBIDTA to Rs. 282.15 Crores

In good times, it is easy to overlook shortcomings in the glow of good earnings. Tough times, however, present an occasion to identify areas for improvement. It is in this context that we boldly claim, now is a good time to create future capabilities, engage better with customers and stakeholders, and deliver more value in a sustainable manner.

2012-13 was a challenging year due to adverse economic conditions globally. Nonetheless, we countered the headwinds admirably and posted a record turnover of Rs. 1,273.25 Crores and a 20.24% increase in EBIDTA to Rs. 282.15 Crores. However, net profit slipped marginally

to Rs. 53.89 Crores (Earning per share stood at Rs. 20.74) on account of higher depreciation following the commissioning of one unit of the new captive power plant and a one-time charge relating to the joint venture with Posco. However, the long-term benefits of both far outweigh any short-term implications.

Thinking long term

We initiated a far reaching organisational restructuring programme during the year with help from a leading management consulting firm, to empower our people and free up senior management bandwidth, to focus on strategic priorities, including diversifying into new businesses and geographies. Accordingly, the Ferro Alloys and Power Business Units have been formed with BU Heads given end-to-end responsibility under the overall guidance of the COO. There is also intense focus on creating a leadership pipeline.

The first unit of the 2 x 60 MW Captive Power Plant became operational during the year. Following the commissioning of the second unit in Q1 of the new fiscal, our total power generation capacity will go up to 258 MW. While there will be a small surplus in the short-term, plans are already underway to increase our furnace capacity and absorb the entire generation. The commencement of the joint venture with Posco reinforced a mutually beneficial relationship and will result in greater off-take assurance.

Strategic advantage

While South Africa will always remain a significant influence on the ferro chrome industry, its glory days as a producer are probably behind it, given the sharp increase in electricity tariff and other bottlenecks. Similarly, China may have emerged as the largest producer of ferro chrome in the world, but its dependence on imported ore will always cast a shadow on the long-term viability of the capacity, which has been created. In such a scenario, our integrated business model - soon to receive a boost when the captive coal block becomes operational - stands us in good stead as we look to entrench ourselves as a reliable supplier. Moreover, we are ideally positioned to cater to increasing domestic demand for ferro chrome as more stainless steel capacity comes on line.

We pride ourselves on looking at the big picture and not on short-term gains. Our Founder's vision has seen us become the leading producer of ferro chrome in India and now it is time to spread our wings. We remain committed, as always, to doing our best to deliver superior returns - albeit over the longer term as there is no shortcut to success.

I would like to acknowledge our employees and thank all our stakeholders for reposing their faith in us and being a part of our journey.

Thank you,

Subhrakant Panda

Managing Director



The commencement of the joint venture with Posco reinforced a mutually beneficial relationship and will result in greater off-take assurance.

1,00,000+

PEOPLE BENEFITTED FROM
IMFA'S SOCIAL INITIATIVES



Delivering more value

At IMFA, our value creation is not restricted to the customers we serve or the people, who drive the organisation forward. There is another element in the value matrix, which is critical for long-term sustainability: well-being of the community around us.

Rs. 3.05 Crores

TOTAL INVESTMENTS IN CSR ACTIVITIES IN 2012-13

Bansidhar & Ila Panda Foundation (BIPF)

BIPF, established in 2011, is the Corporate Social Responsibility (CSR) arm of IMFA. The Foundation provides economic and social opportunities to the marginalised sections of society with sustainable and scalable interventions. It also contributes to five out of eight Millennium Development objectives set by the United Nations. BIPF undertakes initiatives to promote education, support well-being of women and children, enhance skills development, and improve water and sanitation facilities.

Education

- Running Chinmaya Vidyalaya, a CBSE-affiliated senior secondary, co-educational school at Therubali, Rayagada since 1982
- Signed a Memorandum of Understanding (MoU) with the district administration of Odisha to improve school infrastructure and allied facilities in remote areas of the state
- Provided scholarships to meritorious, but economically disadvantaged engineering and medical students under Professor Ghanashyam Dash Scholarship for Higher Education
- Provided assistance to Bhartiya Vidya Niketan in Keonjhar and Kalinga Public School in Choudwar
- Distributed school bags in Dhanurjayapur and Bangur UP School at Keonjhar
- Provided furniture for public library at Nuashai chromite mines, Keonjhar
- Distributed 192 eco-friendly LED lanterns to enable children study after dark in Bhanara, Raighati and Mayurnachi villages of Keonjhar district's Hatadihi block
- Organised an excursion to Puri, Konark and other places of historical interest for 45 tribal students from Therubali, Rayagada
- Constructed classrooms and donated desks and benches to Ashokjhara School, Sukinda, Jajpur
- Facilitated infrastructure development at Nigamananda Girls High School in Daulatabad, Choudwar

Women and Child

Preventive Health

- Partnered with NGO Pathfinder International, a global leader in reproductive health and operating across 22 countries; organise training programmes

for accredited social health activists (ASHAs) and auxiliary nurse midwives (ANMs) in different blocks of Angul and Keonjhar districts, as a part of project RAKSHA, to reduce maternal mortality in Odisha

- Organised a health camp, treating 150 patients in Hatadihi block of Keonjhar district
- Started a medical consultancy centre, having a doctor and a support staff, at Choudwar
- Provided 12 Fetal Heart Rate Monitors (FHRMs) to the District Health Society, at Angul
- Organised immunisation camp during Village-Level Health And Nutritional Day at Sukinda chromite mine, Jajpur
- Provided a Quantitative Buffy Coat (QBC) machine to the district headquarter hospital, Angul, to detect malaria

1



2



1

Now Children can read after dark. Eco Charge LED Lamp Distribution

2

We make every drop count - Safe drinking water for community

149

VILLAGES COVERED

- Established a Banausadhi Udyan for medicinal plants cultivation at Sukinda, Jajpur
- Organised a panel discussion on Maternal and Newborn Health at Bhubaneswar
- Distributed food materials to Adruta Orphan Center, Rayagada

Women Empowerment

- Initiated project Unnati – a capacity-building programme for 50 women SHGs of Angul and Keonjhar districts
- Promoted goat farming to Sri Siva Sakti Women SHG at Therubali, Rayagada
- Conducted a mushroom cultivation skill programme, imparting knowledge to 22 women members of 11 SHGs in Nuasahi, Keonjhar
- Organised tailoring training programmes for 20 women for three months at Therubali, Rayagada, and for 55 members of Shree Krushna Self Help Group, Maa Mangal Self Help Group and Adishakti Self Help Group in Agrahat Panchayat of Choudwar; four stitching machines were also distributed during the tailoring training programme at Choudwar

Skill Development

- Running ITC at Therubali, Rayagada since 1992, where hundred youths are trained every year

Water and Sanitation

- Installed piped water supply system in Benagadia village in Sukinda block of Jajpur district
- Constructed two bathing ghats in Nuasahi village of Keonjhar district
- Provided power generators to the Gram Panchayat for uninterrupted water supply at Nuasahi in Hatadihi block, Keonjhar

Other initiatives

- Distributed football kits to young people of Dumuriguda village, Rayagada
- Organised a plantation programme at Chingudipal UPME School on Gandhi Jayanti at Kaliapani, Sukinda and Jajpur
- Constructed Jajati Keshari club community centre in ward No. 10 of Choudwar municipality
- Constructed a shed at the weekly market complex, Kaliapani, and a rest shed at Sankatpaia of Sukinda district

Waste! Think again

- Abiding by the Fly Ash Notification Law, which came into effect from 1999, we undertook requisite measures. We are using most of the ash generated in our 138 MW (108 MW + 30 MW) power plant in Choudwar (Odisha) to reclaim degraded land. After filling with ash, it is topped with soil and plantation is carried out to transform the degraded land into a green belt
- The fly ash generated in this boiler is suitable for brick manufacture. Hence, we have installed a brick manufacturing unit with a 1,00,000-brick daily capacity and another one will be installed shortly. The fly ash generated in CFBC boiler is utilised for brick manufacture. Besides, it is also supplied free of cost to other brick manufacturing industries located nearby. Left-over ash, along with bottom ash, is utilised for land filling. We are also exploring possibilities of utilising this fly ash in cement industries
- We are going to install a lightweight aggregate manufacturing unit to utilise mixed ash generated from our power plant. This unit is under construction and, on its completion, 16,500 MT of mixed ash per month will be utilised in light weight aggregate manufacturing, which is a replacement of stone chips in concrete mixture



Recognising talents

Sarala Award

This award, instituted in 1980 and carrying a prize money of Rs. 2,50,000, recognises outstanding Odia literary work. With its glittering history of past recipients, this award is considered as a premier recognition for an Odia writer.

Ekalabya Puraskar

This award, having a prize money of Rs. 1,50,000, was instituted in 1993 to recognise budding Odia sportspersons. It is considered as a premier recognition in sports in Odisha and several past recipients have made the country and the state proud.

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Management Discussion and Analysis



Metal tapping at Charge Chrome Plant

ABOUT 80% OF THE WORLD'S CHROME ORE RESERVES ARE FOUND IN SOUTH AFRICA, WHILE KAZAKHSTAN, ZIMBABWE, INDIA AND TURKEY ARE ALSO HAVING LARGE RESERVES.

Ferro chrome industry

The demand for ferro chrome is derived from that of stainless steel, as it is an intermediate product. As such, rising demand for and production of stainless steel has helped maintain ferro chrome demand.

Chrome ore

Ferro Chrome accounts for around 95% of chrome ore demand, while the rest comes from the chemical and refractory industry.

Geographical concentration

About 80% of the world's chrome ore reserves are found in South Africa, while Kazakhstan, Zimbabwe, India and Turkey are also having large reserves.

Ferro chrome

The total ferro chrome production worldwide fell by around 1.6% from 9.25 million tonnes in 2011 to an estimated 9.10 million tonnes in 2012 (Source: *Tex Report*).

China

China superseded South Africa recently to emerge as the leading ferro chrome producer, despite the fact that it has no chrome ore resources of its own and relies entirely upon imports. While this does cast some doubt on the long-term viability, there is no doubt as to the influence such large production capacity has on the industry in general (Source: *Mining Bulletin*).

Country-wise share of chrome ore production in 2012, compared to 2011



(Source: U.S. Geological Survey)

WORLD STAINLESS STEEL CONSUMPTION RECORDED A COMPOUND ANNUAL GROWTH RATE (CAGR) OF 4.5% FROM 2008 TO 2012 AND IS PROJECTED TO RISE AT A CAGR OF AROUND 5% OVER THE NEXT 5 YEARS.

South Africa

Despite a decline in total ferro chrome production from 3.3 million tonnes in 2011 to 2.8 million tonnes in 2012, South Africa continues to have significant 30% share of global production. With its competitiveness hampered by an appreciating currency and rising power tariffs, South African producers were provided some succour by Eskom's power buyback programme; production taken off-line due to these developments led to the market somewhat being in balance (Source: *Tex Report*).

India

India's ferro chrome production was around 0.58 million tonnes till September 2012 (Source: *ICDA*).

Stainless steel industry – largest consumer of ferro chrome

Global

Production overview

Global stainless steel production increased by 2.9% in the first nine months of 2012, as compared to the same period in 2011. Total production for the third quarter recorded a new all-time high, reaching 8.3 million tonnes.

Global stainless steel production (First 9 months)

'000 tonnes

Countries	2012	2011	Growth (%)
Western Europe/Africa	6,024	5,980	0.70
Central & Eastern Europe	274	307	-10.60
USA	1,824	1,929	-5.50
Asia (excluding China)	6,583	6,593	-0.20
China	11,407	10,575	7.90
Total	26,112	25,384	2.90

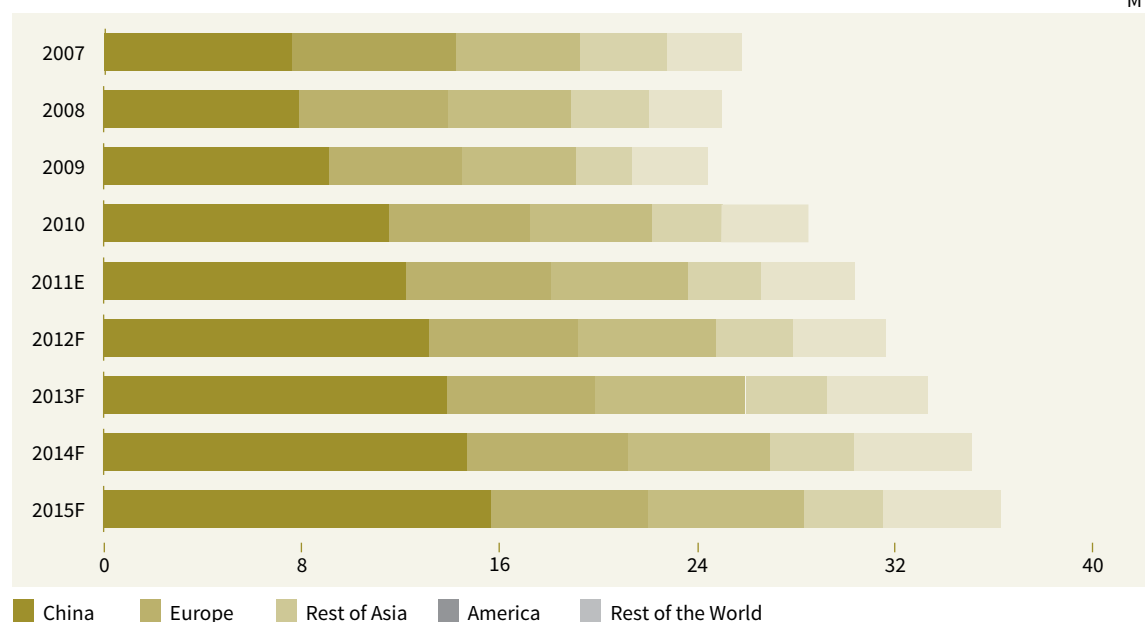
(Source: *International Stainless Steel Forum*)

Demand overview

World stainless steel consumption recorded a compound annual growth rate (CAGR) of 4.5% from 2008 to 2012. Driven by increased demand in the Asian region, consumption is projected to rise at a CAGR of around 5% over the next 5 years.

Stainless steel end-use consumption

MT

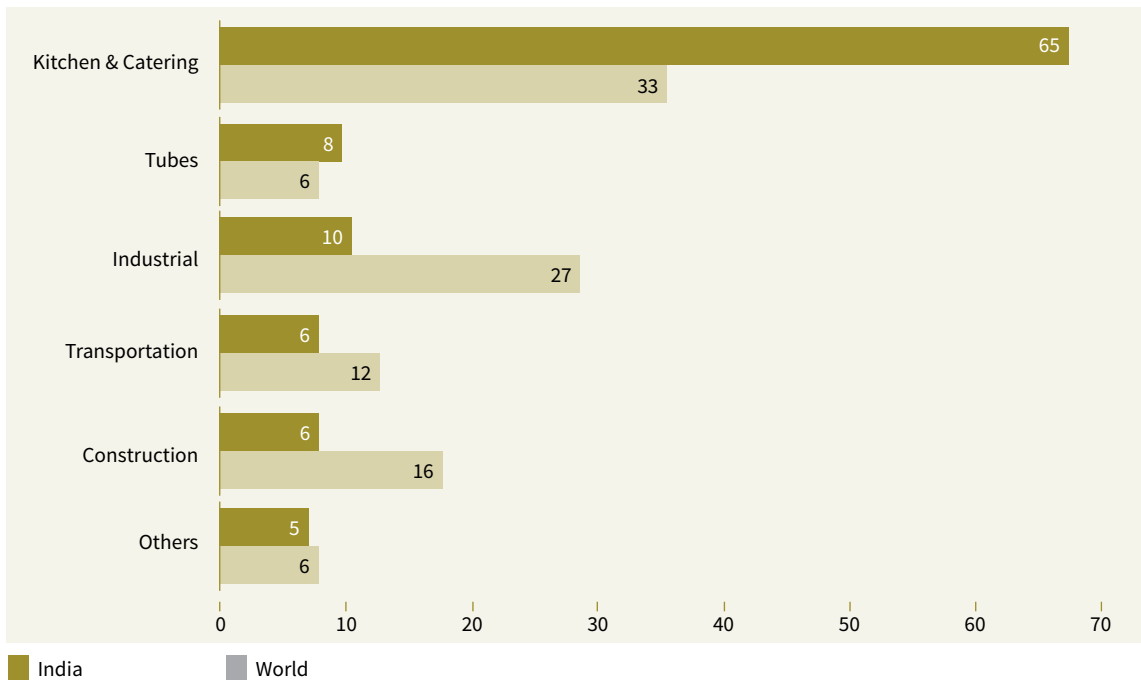


(Source: *KPMG Report*)

India

Several sectors, such as infrastructure, automotive, construction, consumer durables and others consume stainless steel.

Stainless steel consumption pattern

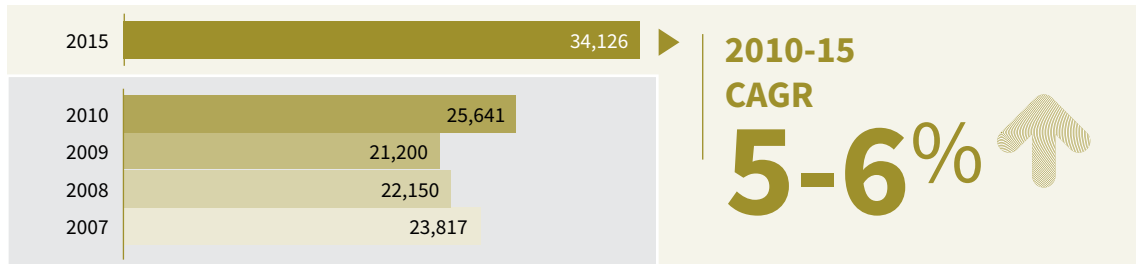


(Source: Indian Stainless Steel Development Association)

India's stainless steel (SS) consumption growth is poised to exceed global levels

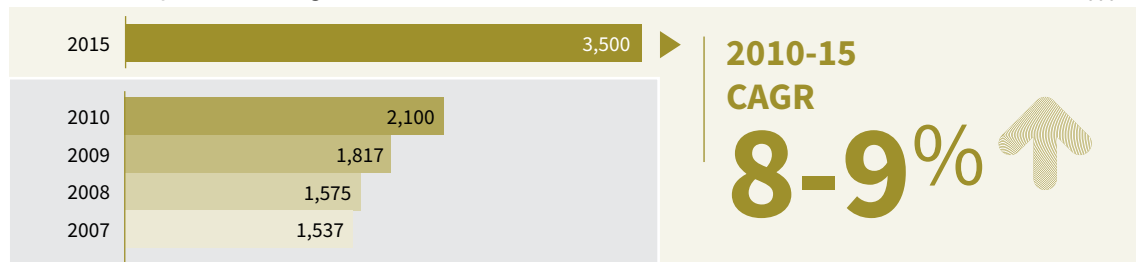
World SS consumption (Flat + Long)

'000 MT



India SS Consumption (Flat + Long)

'000 MT



India SS Consumption is expected grow by 8-9% annually and would reach around 3.5 million tonnes by 2015

(Source: Indian Stainless Steel Development Association)

Demand for stainless steel is likely to be buoyant in coming years riding on the back of opportunities in the infrastructure sector and increased consumer spending.

Indian industry drivers

Low per capita consumption of stainless steel

India’s per capita stainless steel consumption of around 2 kg, as against a global average of 4 kg and about 8 kg in China - leaves significant headroom for growth. More stainless steel consumption will, of course, lead to higher demand for ferro chrome.

Global per capita stainless steel consumption

Country	Per capita stainless steel consumption (kg)
Taiwan	33.50
Korea	24.10
Italy	16.80
Singapore	16.80
Germany	13.80
Japan	12.70
Switzerland	10.90
China	8.00
Canada	4.20
USA	3.90
India	2.00

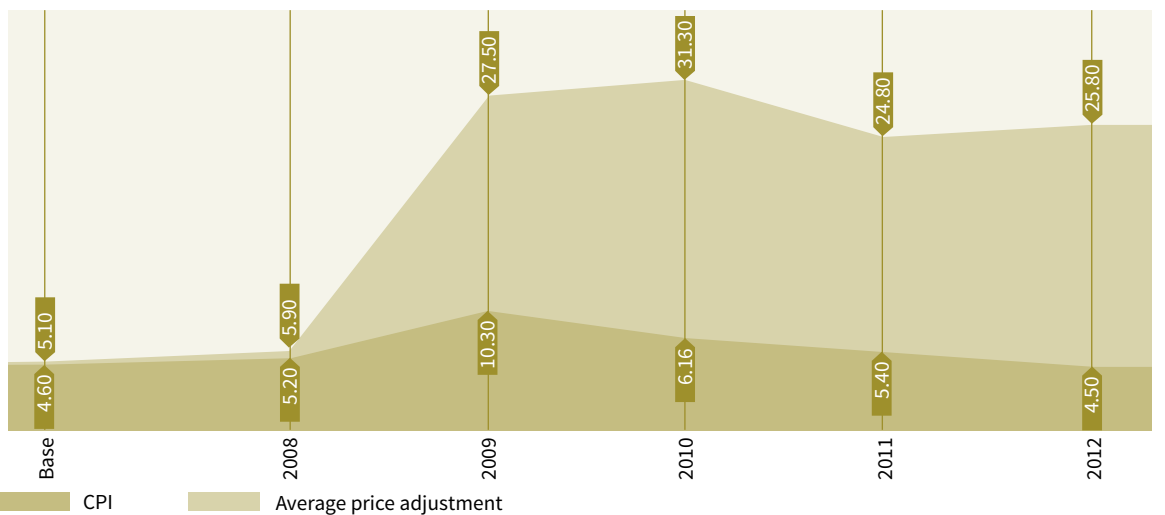
(Source: Indian Stainless Steel Development Association Presentation, September 2012)

South Africa’s power shortages

South Africa’s dominance of the ferro chrome industry has been as much on account of its low power tariffs as it has been due to huge chrome ore reserves. That changed in 2008 with the imposition of power cuts for the first time, which shattered the image of stability. Little or no addition to generation capacity, coupled with higher power tariffs, have contributed to a sense of unease. After several years

of significant double-digit increases, the country’s energy regulator has now approved an 8% p.a. increase for the next 5 years. Further, the electricity buyback programme is also likely to be discontinued. While South Africa will still, no doubt, be a significant influence - if nothing else then due to the dramatic increase in chrome ore (particularly UG 2) being shipped out of the country to China - its glory days as a ferro chrome producer are likely behind it now.

Price increases in electricity tariffs



(Source: Eskom)

Concern

China's import of chrome ore remains at elevated levels

China has become the largest producer of ferro chrome in the world on the back of significant imports of chrome ore, which exceeded 9 million tonnes in 2011 and 2012. A large stockpile of chrome ore - increasingly of South African origin, with Turkey being the other large supplier - has enabled it to play an increasingly important role in the ferro chrome industry, even though it has no chrome ore resources of its own. While China is able to rein in ferro chrome prices by increasing production when there is an upward bias, its high production cost also acts as a floor price, providing respite to those who figure lower on the cost curve.

Future outlook

The demand for ferro chrome is dependent upon that of stainless steel, which itself is likely to grow at a CAGR of 5%

until 2018. Production setbacks in South Africa and rising demand, as the world economy moves into a growth phase, will likely result in higher prices. However, there are cost pressures too, although integrated producers will be much less affected than those who rely on bought out ore and electricity.

About IMFA

IMFA is India's largest fully integrated ferro alloys producer with 187 MVA installed furnace capacity, backed by 198 MW captive power generation (which will go up further to 258 MW) and chrome ore mines.

Segment-wise performance

The Company operates into three segments – ferro alloys, power and chrome ore mining.

Performance highlights

Ferro Alloys

Particulars	FY 2012-13	FY 2011-12
Production (tonnes)	1,79,318	1,96,160
Sales (tonnes)	1,88,348	1,97,245
Revenue (Rs. in Crores)	1,228.71	1,164.11

Power

Particulars	FY 2012-13	FY 2011-12
Generation (in million units)	792	777
Sales (in million units)	26.13	3.39
Revenue (Rs. in Crores)	7.20	0.80

Mining (Chrome Ore)

Particulars	FY 2012-13	FY 2011-12
Production (tonnes)	3,90,649	4,89,667

Financial performance

Rs. in Crores

Particulars	FY 2012-13	FY 2011-12
Revenue from operations	1,273.25	1,192.54
EBITDA	282.15	234.65
Profit after tax	53.89	63.93
Cash profit	135.58	119.11
Earnings per share [EPS] (Rs.)	20.74	24.61
Cash EPS (Rs.)	52.19	45.85
Dividend per share (Rs.)	5.00	5.00
Net worth	825.60	786.91
Capital employed	1,493.78	1,349.30
Fixed assets (including CWIP*)	1,241.69	1,110.75
Net current assets	147.30	112.57

*CWIP stands for capital work in progress

Revenues

The Company's revenue from operation touched an all-time high of Rs. 1,273.25 Crores, representing an increase of 7% from Rs. 1,192.54 Crores in FY 2011-12.

Export

The Company's revenues are largely export driven, which account for 79% of total sales. IMFA earned export revenues of Rs. 976.51 Crores in FY 2012-13, as compared

to Rs. 964.87 Crores in FY 2011-12. Long-term contracts with Posco, including the joint venture, which came into operation during the year under review, and other international customers helped assure off-take.

Other income

Other income stands at Rs. 7.76 Crores in FY 2012-13, as compared to Rs. 5.64 Crores in FY 2011-12, a growth of 38%.

Cost break-up

Rs. in Crores

Expenses (as % of total expenses)	FY 2012-13	FY 2011-12
Manufacturing and other expenses	67	70
Employee cost	9	8
Administrative and selling expenses	10	9

Sources of funds

Own funds

The Company's net worth increased to Rs. 825.60 Crores, as on 31st March 2013, from Rs. 786.91 Crores on 31st March 2012.

Equity

The Company's equity comprised 2,59,77,053 equity shares with a face value of Rs. 10 per share. The promoters held 55.73% in the Company, as on 31st March 2013.

Reserves

Reserves increased to Rs. 799.62 Crores, as on 31st March 2013, from Rs. 760.93 Crores on 31st March 2012. It comprises share premium reserve, general reserve and profit & loss account. Free reserves constitute around 83% of the total reserves.

External funds

Book debts stands at Rs. 941.64 Crores, as on 31st March 2013, as compared to Rs. 823.04 Crores for the previous fiscal, registering an increase of 14%. Around 90% of the debts are rupee denominated loans while the rest are in US dollars. Working capital loans accounted for 21% of secured loans.

Application of funds

There was an increase in the deployment of funds to finance growing gross block and working capital.

Gross block

The Company's gross block increased from Rs. 857.89 Crores as on 31st March 2012 to Rs. 1,417.29 Crores as on 31st March 2013.

Capital work-in-progress

The Company's capital work-in-progress declined 61% from Rs. 602.56 Crores in FY 2011-12 to Rs. 235.02 Crores in FY 2012-13, on account of capitalisation of one unit of 2x60 MW Power Project and other related projects undertaken by the Company.

Taxation

Current tax charge increased to Rs. 49.39 Crores in FY 2012-13 from Rs. 32.36 Crores in FY 2011-12, on account of higher profitability with a corresponding tax rate of 32.45% in FY 2012-13.

Risk management

IMFA's strategic risk management involves proactive identification and mitigation strategies of relevant industry risks. The result is a risk-focused business model.

Industry risk

Demand slowdown from user segments could impact the Company's business

Mitigating factors

- The world stainless steel demand is expected to increase at a CAGR of around 5% over the next 5 years
- The Company has entered into long-term ferro chrome supply contracts with Posco and other clients across the globe. Further, the joint venture with Posco provided additional off-take assurance

Operational risk

Inefficient shop-floor operations could impact production cost and affect competitive edge

Mitigating factors

- Regular maintenance and overhauling of plant and equipment are carried out to prevent breakdowns
- Technology upgradation and process modifications are performed to enhance efficiency in ferro chrome production process
- The Company's retention strategies help reduce attrition rate

Foreign exchange rate risk

Adverse fluctuations in the foreign exchange rate can affect the Company's profit margin

Mitigating factors

- Exports provide a natural hedge
- The Company has entered into several forward contracts to cushion against fluctuations while taking care not to over extend itself in this regard

Liquidity risk

Failure to mobilise working capital requirements for day-to-day operations and finance expansion plans

Mitigating factors

- Implementation of working capital management to track cash flows to meet debt obligations
- Working capital loans account for 21% of secured loans in FY 2012-13

Human resources

IMFA initiated a broadbased organisation restructuring in FY 2012-13 with inputs from a leading management consulting firm to push down responsibility and accountability. Accordingly, Ferro Alloys Business Unit and Power Business Unit were created with BU Heads (reporting to the COO) expected to take end-to-end responsibility, so that senior management time would be freed up to focus on strategic priorities, including diversifying into new business and geographies. The restructuring is also expected to result in greater synergies and exchange of best practices with, for example, the head of ferro alloys manufacturing (reporting to the BU Head) responsible for optimising production across multiple sites.

At IMFA, human capital drives our organisation forward. Accordingly, a strong focus on training helps enhance employee skill and capability in a dynamic business

environment. Besides conducting internal and external workshops, a Centre of Excellence is being set up to identify and groom high potential employees, while also focusing on the high performers. Policies pertaining to human resources are in consonance with the Company's aim to ensure high employee engagement and low attrition rates. Industrial relations were cordial across 17 locations during the year under review and the present employee strength stands at 2,266.

Internal control systems

The Company has an adequate system of internal controls to safeguard and protect from loss or unauthorised use of its assets. All transactions are properly authorised, recorded and reported, besides adhering to Accounting Standards for properly maintaining books of accounts and reporting financial statements. The Company has an Internal Audit department to review various areas of the operations with the reports thus generated reviewed periodically by the Management and the Audit Committee of the Board.

Directors' Report

2x60 MW Power Plant project at Choudwar nearing completion



To The Members

Your Directors are pleased to present the 51st Annual Report together with Audited Statement of Accounts of the Company for the financial year ended 31st March 2013.

Financial Results

Rs. in Crores

	FY 2012-13	FY 2011-12
1. Revenue from operations	1,273.25	1,192.54
2. Other Income	7.76	5.64
Total Revenue	1,281.01	1,198.18
3. Profit before interest, depreciation, taxation, prior period income and exceptional items	282.15	234.65
4. Interest	87.47	83.20
5. Depreciation	81.69	55.18
6. Prior period income	2.28	0.02
7. Exceptional items - Expense	11.99	-
8. Profit before Tax	103.28	96.29
9. Tax including Deferred Tax	49.39	32.36
10. Profit after Tax	53.89	63.93
11. Balance brought forward from previous year	361.48	319.05
12. Amount available for appropriation	415.37	382.98
13. Proposed dividend (including Tax on dividend)	15.20	15.10
14. Transfer to General Reserve	5.39	6.40
15. Balance carried forward	394.78	361.48

**YOUR COMPANY
ACHIEVED
A RECORD
TURNOVER OF
RS. 1,273.25
CRORES,
REPRESENTING
AN INCREASE OF
7% OVER THE
PREVIOUS YEAR.**

Your Company achieved a record turnover of Rs. 1,273.25 Crores (previous year: Rs. 1,192.54 Crores) representing an increase of 7% over the previous year. Although there is an increase of 21% in profit before interest, depreciation, exceptional items and tax amounting to Rs. 284.43 Crores (previous year: Rs. 234.67 Crores), profit after tax declined by 16% to Rs. 53.89 Crores (previous year: Rs. 63.93 Crores) mainly on account of increase in depreciation and deferred tax due to capitalisation of one unit of 2x60 MW power plant.

Dividend

Your Board of Directors is pleased to recommend for approval of the members a dividend of 50% (Rs. 5/- per share) on the equity shares of the Company for the FY 2012-13.

Operations

Ferro Alloys

The production of ferro chrome during the year under review decreased by 11% to 1,74,348 tonnes (previous year: 1,96,160 tonnes) on account of non-availability of lumpy ore from one of the Company's captive mines and temporary shutdown of one furnace at Choudwar for relining. In view of the increase in prices of ferro silicon during the year under review the Company carried out a short production run of 4970 tonnes to utilise/encash raw material available in stock.

Electricity

During the year under review your Company generated 792 million units of electricity (previous year: 777 mu's) which translates to a plant load factor of 76.07% (108 MW) & 56.27% (30 MW) on MER basis and sold 26.13 mu's to Gridco at an average rate of Rs. 2.75 per unit. Generation remained mainly restricted to captive requirement on account of the low rates offered by Gridco.

Mining

The chrome ore produced during the year under review decreased by 20% to 3,90,649 tonnes as compared to 4,89,667 tonnes during the previous year due to non-operation of one of the captive mines for nine months. However, mining activities have since restarted pursuant to an order of Hon'ble Orissa High Court as an interim relief although the State Government is yet to give permission for dispatch of ore. It is pertinent to note here that your Company has consistently followed in letter and spirit the practice of value addition thus maximising both employment and contribution to the exchequer.

Keeping in mind the importance of raw material security particularly in view of plans to further expand smelting capacity, your Directors will pursue the allotment of balance 50% requirement of captive chrome ore and shall take all necessary steps to protect your Company's interests.

Listing

The equity shares of your Company are listed on Bombay Stock Exchange Limited (stock code: 533047) and National Stock Exchange of India Ltd (stock symbol: IMFA). The Annual Listing Fee for the FY 2013-14 has been paid.

Awards & Recognitions

During the year under review your Company has been awarded:

- (i) "Pollution Control Appreciation Award" for adoption of effective pollution control measures and sound environmental practices for the year 2012 from State Pollution Control Board, Odisha.
- (ii) "National Safety Award (Mines)" for the year 2009 in the category of "Longest Accident Free Period – Metal Mines – Below Ground" for its Nuasahi Chromite Mines.

Energy Conservation, etc.

The information required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in an annexure hereto forming part of this report.

Subsidiary/Joint Venture Companies

Indian Metals & Carbide Ltd, a subsidiary of your Company, has reported a loss of Rs. 3.80 lakhs during FY 2012-13 as against a loss of Rs. 79.26 lakhs during the previous year. In view of loss, the Board of Directors of the said Company have not proposed any dividend.

Utkal Green Energy Limited, a wholly owned subsidiary of your Company has no operations during the year under review.

All the formalities regarding voluntary winding up of Indmet Mauritius limited have been completed under the Law of Mauritius including no objection from all the regulatory authorities and the swearing in of the affidavit by the official liquidator for the same at Supreme Court was made on 30th January 2013. Consequently all the shares of Indmet Mining (Pte) Ltd held by Indmet Mauritius Ltd have been transferred to the Company at par value during the year. Accordingly Indmet Mining (Pte) Ltd (earlier 100% step down subsidiary) has become wholly owned subsidiary of the Company.

Utkal Power Ltd, Utkal Coal Ltd, Indmet Mining (Pte) Ltd, Singapore and Pt. Sumber Rahayu Indah (SRI), Indonesia, all subsidiaries of your Company, are yet to begin operations.

During the year under review, IMFA Alloys Finlease Limited (IAFL), the erstwhile wholly-owned subsidiary of your Company, received the Certificate of Registration from Reserve Bank of India for carrying out non-banking

financial institution activities. Your Company has sold its 30 MVA furnace and other related assets including the plant & machinery related to Briquetting Plant and Gas Cleaning Plant ("transferred assets") to IAFL following which the said transferred assets were leased back to your Company for their entire economic life pursuant to a finance lease. In accordance with the terms of a JV & Shareholders Agreement between your Company and Posco, IAFL issued and allotted equity shares amounting to 24% of its paid-up share capital to Posco with the balance 76% being owned by your Company. IAFL has reported a profit of Rs. 0.21 Crores during the FY 2012-13 and, in view of inadequate profits, the Board has not proposed any dividend.

The statement as required under Section 212 of the Companies Act, 1956 in respect of the subsidiaries of the Company is annexed and forms an integral part of this Report. The consolidated financial statements of the Company and its subsidiary Companies, prepared in accordance with Accounting Standard (AS)-21 "Consolidated Financial Statements" prescribed by the Institute of Chartered Accountants of India, form part of the Annual Report and Accounts.

In terms of the general exemption granted by the Central Government under Section 212 (8) of the Companies Act, 1956 the Audited Balance Sheets as at 31st March 2013 in respect of the subsidiaries of the Company have not been attached to the Balance Sheet of the Company. However, the requisite information for each subsidiary has been disclosed and the annual accounts of the subsidiary Companies and the related detailed information will be made available to the investors of the Company/subsidiary Companies seeking such information at any point of time. The Annual Accounts of the subsidiary Companies will also be kept for inspection by any investor in your Company's Registered Office and that of the subsidiary company concerned.

New Projects

Your Directors are pleased to inform that Unit 1 (60 MW) of the 2x60 MW Captive Power Plant was synchronised on 31st December 2012 and put to use. The commissioning activities of Unit 2 (60 MW) are under progress and it is likely to be synchronised and put to use shortly.

The captive coal mine project being taken up by Utkal Coal Ltd, an SPV, is at an advanced stage with all statutory approvals being in place. Other activities like displacement of affected people and various approvals for constructing captive railway siding to evacuate coal are underway. UCL is awaiting Grant Order from the Government of Odisha

which has been unduly delayed. As such, your Directors are hopeful that remaining formalities will be completed shortly and the mining lease will be executed within the current calendar year with operations commencing shortly thereafter.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, as per provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Public Deposits

The Company has not accepted any public deposits during the year under review.

Observations of the Auditors

Observations of the Auditors on the annual accounts of the Company have been dealt with in the Notes to the Accounts annexed as Note which are self-explanatory.

Directorate

Mr N R Mohanty, Mrs Paramita Mahapatra and Major R N Misra, Directors, retire by rotation at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

Mr C R Ray was inducted as an Additional Director of the Company with effect from 31st January 2013 by the Board of Directors in the meeting held on 16th October 2012 and subsequently appointed as Whole-time Director of the Company. As such, he will hold office up to the date of forthcoming Annual General Meeting of the Company. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956 signifying intention to propose him for the office of Director. Resolutions seeking approval of the members have been incorporated in the notice of the forthcoming Annual General Meeting.

Brief resume/details relating to Directors who are to be appointed/re-appointed are furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting as required under the Code of Corporate Governance.

Disclosure pursuant to Clause 5A of Listing Agreement

Pursuant to insertion of clause 5A in listing Agreement the details in respect of the shares lying in the Indian Metals & Ferro Alloys Limited – Unclaimed Suspense Account (Promoter group & Non-promoter group) till 31st March 2013 are as under.

Sl. No.	Description	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 1st April 2012	7,141	1,10,480
(ii)	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the FY 2012-13	39	432
(iii)	Number of shareholders to whom shares were transferred from unclaimed suspense account during the FY 2012-2013	39	432
(iv)	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 31st March 2013	7,102	1,10,048

All the corporate benefits in terms of securities, accruing on these unclaimed shares shall be credited to the aforesaid account. Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Directors' Responsibility Statement

Pursuant to provisions under section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm:

- that in the preparation of the annual accounts for the financial year ended 31st March 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year under consideration;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- that they have prepared the annual accounts of the Company for the financial year ended 31st March 2013 on a going concern basis.

Auditors

M/s Raghu Nath Rai & Co, Chartered Accountants, the existing Auditors, have given their no objection to change of Auditors by way of rotation which is in consonance with good Corporate Governance and, as such, will retire at the ensuing Annual General Meeting. Based on the recommendation of the Audit Committee, the Board of Directors of the Company have proposed the appointment of M/s. Haribhakti & Co, Chartered Accountants, as the Auditors of the Company at the ensuing AGM. M/s Haribhakti & Co, have expressed their willingness to act as Auditors of the Company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956.

Cost Auditors

The Board of Directors of the Company appointed M/s S C Mohanty & Associates, Cost Accountants, as the Cost Auditor of the Company for the financial year ended 31st March 2013. The Audit Report of the cost accounts of the Company for the year ended 31st March 2013 will be submitted to the Central Government within the prescribed time limit.

In terms of the circulars issued by Ministry of Corporate Affairs, the last date for filing the Cost Audit Report for the year ended 31st March 2012 with the Central Government was 28th February 2013. The Report was filed on 31st January 2013.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance, Management Discussion and Analysis, Auditors' Certificate regarding compliance of conditions of Corporate Governance and CEO & CFO certification have been made a part of the Annual Report.

Industrial Relations

During the year under review, industrial relations at the Company's manufacturing complexes situated at Therubali and Choudwar as well as at the Mines remained cordial.

Acknowledgement

Your Directors would like to place on record their sincere appreciation of the devoted services rendered by the entire workforce during the year under review. Further, your Directors would also like to appreciate the support received from Term Lenders and Working Capital Bankers. Last but certainly by no means least, your Directors would like to thank shareholders, customers and the public at large for their continued support and confidence.

For and on behalf of the Board

Baijayant Panda
Vice Chairman

Subhrakant Panda
Managing Director

Place: New Delhi
Date: 15th May 2013

Annexure To Directors' Report

Particulars required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988:

A. Conservation of Energy

(a) Energy conservation measures taken

Choudwar

UNIT-1 Charge Chrome Plant (CCP)

- One 160 KW energy efficient motor was replaced at furnace pump house (pump for furnace cover & contact clamp) in place of 200 KW motor.

UNIT-2 Charge Chrome Plant (CCP)

- 12 nos 5.5 KW motors were replaced in CCP-2 & 3 (blower motors for charging chute & seal ring) in place of 7.5 KW motor without compromising the system requirement.
- 2 nos of electrode slipping hydraulic pump motors (5.5 KW) at CCP-2 & 3 were running continuously. Operation procedure was modified to run it only during electrode slipping and by this its idle time increased to 20 hours per day thus saving energy without any investment.
- Furnace shell cooling water collected in a hot water pit and transfer to cold water pit was done by a 15 KW pump running continuously. Its idle time was increased to 20 hours per day by doing modification in the storage chamber for gravity flow.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

Therubali

Two more Pumps are proposed to be procured and installed in PI-03 Pump house replacing old pumps. Cost of 2 Pumps will be Rs. 4 lakhs approximately.

(c) Impact of measures taken at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production

Choudwar

Reduction of Energy Consumption: 750440 KWH/Year

(d) Total energy consumption & energy consumption per unit of production in respect of industries specified in the Schedule in Form A

Not Applicable

B. Technology Absorption

Research and Development (R&D)

1. Specific areas in which R&D was carried out by the Company	: NIL
2. Benefits derived as a result of the above	: Does not arise
3. Future plan of action	: -
4. Expenditure on R&D	: NIL
(a) Capital	
(b) Recurring	
(c) Total	

Technology absorption, adaptation & innovation

(1) Efforts, in brief, made towards technology absorption, adaptation & innovation.

Choudwar

- (a) In CCP-1, Heater elements in furnace electrode heater units were getting cracked frequently due to high vibration transmitted by Electrode fans connected in series. Expansion Bellows were put in between fans and heater units to absorb/damp vibration.
- (b) 2 Nos ASEA, Sweden make 33 KV breakers in CCP-1 furnace feeder were replaced with indigenous Schneider make breakers.
- (c) 2 Nos Chinese make 33 KV breakers in CCP-3 furnace and NGT feeder of 30 MWPP were replaced with indigenous Kilburn make breakers.
- (d) 2 sets of Powercon, Pune make ESP controllers were commissioned in boiler-2 replacing imported controllers.
- (e) Economiser tube bundle was replaced in Boiler no 2 with indigenous one.

Therubali

- (a) Mechanisation of Ladle chipping activity by introduction of rock breaker.
- (b) Installation of PLC control operating system in 10 TPH Briquetting Plant.

Mining Division

- (a) Introduction of on line despatch system for Sukinda Mines Chromite (SMC) & Mahagiri Chromite Mines (MMC)
- (b) Installation of maintenance free earthing electrodes at SMC & MMC

- (c) Introduction of microprocessor based Earth Leakage Relay at SMC, MMC & Nuasahi Chromite Mines (NCM).
 - (d) Introduction of 8 nos of 32 T capacity Volvo Dumpers at SMC & 3 nos of 16 T capacity Ashok Leyland Dumpers at NCM & MMC with new safety features.
 - (e) Introduction of Mining type breaker panel & starter panel at SMC, MMC & NCM.
 - (f) Coir matting of 4950 sq. mtr. at dump slope at SMC.
 - (g) Maintaining power factor upto 0.99 at NCM to get power factor incentive.
- (2) **Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.**

Choudwar

- (a) By doing the above, premature failure of heater elements has been prevented and achieved reliable operation of the electrode heating system. Spares consumption has been reduced and operational reliability increased.
- (b) The abovesaid import substitutions are made to reduce cost and down time associated with the imported spares having high lead time and also guard against obsolescence.

Therubali

- (a) Dependency on manual operation has been brought down to minimal. Reduction in ladle maintenance time & even comfortably handle the requirement in 3 plant operation without additional manpower. Phasing out of CI Moulds with M S Ladle is made possible & resulting cost effectiveness.
- (b) Effective monitoring of the system and increase in operating time by taking corrective measures in time before any fault arises. It is user friendly and integration of entire operation (Dryer, Mixer and Briquetting) into one system. Ease in fault finding, maintainability and Low maintenance cost thereby automatic saving important parameters in Database.

Mining Division

- (a) Saving of time.
- (b) Getting good value of earthing below 1 ohm.

- (c) Knowing exact value of earth leakage current for appropriate setting & value of leakage current on tripping. Provision of wide range of setting parameter of current & time.
- (d) Less consumption of diesel, saving of lead time & increase in productivity & safety.
- (e) Achieving better safety
- (f) Reduction of suspended solids & less erosion of soil & substantial increase in the stability of dump at SMC.
- (g) Getting power factor incentive of Rs. 1,63,493/- for the FY 2012-13 at NCM.

- (3) **In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.**

- (a) Technology imported: None
- (b) Year of import: NA*
- (c) Has technology been fully absorbed: NA*
- (d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action: NA*

* Not Applicable

C. Foreign Exchange Earnings and Outgo

- (i) **Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:**

During the year under review, the Company further strengthened its relationship with Posco by entering into a JV for production and sale of ferro chrome from a 30 MVA furnace for its entire economic life. The Company also maintains its close relationship with Nisshin Steel and also concluded various repeated transactions with many Chinese buyers which augurs well for future as China has now become largest producer of ferro chrome in the world surpassing the South African producers.

- (ii) **Total foreign exchange used and earned**

Rs. in Crores

- (a) Foreign Exchange earnings : 951.21 (previous year: 939.70)
- (b) Foreign Exchange outgo : 323.97 (previous year: 210.57)

Report on Corporate Governance

As on 31st March 2013



108 MW Captive Power Plant at Choudwar in full operation

Your Directors are pleased to present the compliance report on Corporate Governance.

1. Your Company's philosophy on code of governance

Your Company prides itself on being a responsible corporate citizen which is committed to running its business in the best possible manner while being completely transparent, complying with all relevant rules & regulations and contributing to society at large. The Company adheres to the highest ethical standards which is combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, honesty of purpose, quality consciousness and customer satisfaction.

2. Board of Directors

Your Company is managed by a Board of Directors. The constitution of the Board comprises of a combination of Executive and Non-Executive Directors with the Non-Executive Directors constituting more than fifty percent of the total strength of the Board. The Company has an Executive Chairman and Independent Directors constitute half of the total strength of the Board.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. Necessary disclosures with regard to membership of committees have been made by the Directors.

The composition of the Board as on 31st March 2013 was as under:

Name of the Director	Business relationship	Category of Directorship	No. of other Directorships	No. of other Committee Memberships	
				Chairman	Member
Dr B Panda	Executive Chairman	Promoter Non-Independent Executive	7	-	-
Baijayant Panda	Vice Chairman	Promoter Non-Independent Executive	11	-	1
Subhrakant Panda	Managing Director	Promoter Non-Independent Executive	9	1	-
J K Misra	Director (Corporate)	Non-Independent Executive	4	-	3
C R Ray	Whole-time Director	Non-Independent Executive	7		1
Paramita Mahapatra	Director	Promoter Non-Independent Non-Executive	21	1	-
D Bandyopadhyay	Director	Independent Non-Executive	1	1	-
Maj R N Misra (Retd.)	Director	Independent Non-Executive	1	-	-
H Biswas	Nominee Director of IDBI	Independent Non-Executive	-	-	-
Dr S Acharya	Director	Independent Non-Executive	1	-	-
N R Mohanty	Director	Independent Non-Executive	-	-	-
Alex Amrein	Director	Non-Independent Non-Executive	1	-	-
S P Mathur	Director	Independent Non-Executive	1	-	-
General Shankar Roychowdhury (Retd)	Director	Independent Non-Executive	1	-	-

No. of Board Meetings, Attendance at Board Meetings & previous Annual General Meeting

Name of the Director	No. of Board Meetings attended during FY 2012-13	Attendance at AGM held on 28th July 2012	Remarks
Dr B Panda	3	Yes	
Baijayant Panda	3	No	
Subhrakant Panda	4	Yes	
J K Misra	4	Yes	
C R Ray	Nil	No	Appointed as Whole-time Director of the Company w.e.f 31st January 2013
Paramita Mahapatra	4	Yes	
G L Tandon	1	No	Ceased to be a Director w.e.f 28th July 2012
D Bandyopadhyay	1	No	
Maj R N Misra (Retd.)	3	Yes	
H Biswas	4	Yes	
Dr S Acharya	4	Yes	
N R Mohanty	4	Yes	
Alex Amrein	1	No	
S P Mathur	4	Yes	
General Shankar Roychowdhury (Retd)	3	Yes	

Dates on which Board Meetings were held are: 05.05.12, 28.07.12, 16.10.12, 21.01.13

3. Audit Committee

The Company constituted an Audit Committee under the provisions of Section 292A of the Companies Act, 1956 effective 1st April 2001.

The role of the Audit Committee includes the following areas:

- Verifying working results as well as capital expenditure vis-à-vis budgets
- Reviewing quarterly progress reports submitted by the Company to the Financial Institutions/Banks
- Reviewing effectiveness of the cost accounting, management information and cost control system
- Ensuring proper maintenance of books of accounts
- Examining procedure of purchases
- Examining procedures for inventory control
- Examining reasonableness of transactions with the associate companies, if any
- Reviewing accounting procedures periodically
- Reviewing insurance coverage
- Reviewing prevalent systems of payroll
- Reviewing systems and procedures in respect of import of raw materials, spares, components and capital equipment and export of finished goods
- Reviewing accounting and booking of the expenditure to the correct account head
- Reviewing compliance with the provisions of the Income Tax Act in respect of deduction and deposit of tax deducted at source

Composition of the Audit Committee and the details of meetings attended by the members are given below.

Name of Member	Category	No. of meetings attended during FY 2012-13
D Bandyopadhyay, Chairman	Independent Non-Executive	1
Paramita Mahapatra	Non-Independent Non-Executive	4
Major R N Misra (Retd.)	Independent Non-Executive	3
Mr S P Mathur	Independent Non-Executive	4
Dr S Acharya	Independent Non-Executive	4

Audit Committee meetings were attended by representatives from Internal Audit Department and Statutory Auditors – Raghu Nath Rai & Co, New Delhi. CFO & Company Secretary acts as the Secretary of the Audit Committee.

Dates on which meetings were held are : 05.05.12, 28.07.12, 16.10.12, 21.01.13

4. Remuneration Committee

The Remuneration Committee of the Board, inter alia, recommends to the Board the appointment/re-appointment of Whole-time Directors and their compensation packages.

The following are the members of the Remuneration Committee who are Non-Executive Independent Directors.

Name of Member	Category	No. of meetings attended during FY 2012-13
D Bandyopadhyay, Chairman	Non-Executive Independent	1
Major R N Misra (Retd.)	Non-Executive Independent	2
Dr S Acharya	Non-Executive Independent	2

Dates on which meetings were held are : 05.05.2012, 16.10.2012

Remuneration of Directors

Remuneration of Whole-time Directors is determined by the Remuneration Committee comprising of only Non-Executive Independent Directors. The recommendations of the Remuneration Committee are considered and approved by the Board subject to the approval of the shareholders.

Whole-time Directors are paid commission as approved by the Board/Shareholders. All Non-Executive Directors are paid sitting fees. In addition, Non-Executive Independent Directors are together paid commission at a rate not exceeding 0.5% per annum of the net profits of the Company subject to a maximum of Rs. 35 lakhs as computed as per applicable provisions of the Companies Act, 1956.

Details of remuneration for FY 2012-13

Non-Executive Directors			Amount in Rs.
Name	Commission	Sitting Fees	Total
Paramita Mahapatra	-	1,85,000	1,85,000
Alex Amrein	-	5,000	5,000
G L Tandon	4,37,500	5,000	4,42,500
D Bandyopadhyay	4,37,500	15,000	4,52,500
Major R N Misra (Retd.)	4,37,500	40,000	4,77,500
Dr S Acharya	4,37,500	70,000	5,07,500
H Biswas *	4,37,500	20,000	4,57,500
S P Mathur	4,37,500	40,000	4,77,500
N R Mohanty	4,37,500	20,000	4,57,500
General Shankar Roychowdhury (Retd.)	4,37,500	15,000	4,52,500
TOTAL	35,00,000	4,15,000	39,15,000

* Amount payable to IDBI Bank Limited

Executive Directors

Amount in Rs.

Name	Salary	Perquisites & Allowances	Sitting Fee	Commission/ Performance Pay	Total
Dr B Panda	71,50,162	28,40,242	-	1,78,92,000	2,78,82,404
Baijayant Panda	69,35,806	31,21,137	-	1,78,92,000	2,79,48,943
Subhrakant Panda	77,05,161	31,22,959	-	1,78,92,000	2,87,20,120
J K Misra	38,49,840	17,05,324	-	30,00,000	85,55,164
C R Ray	8,56,867	1,52,720	-	-	10,09,587
TOTAL	2,64,97,836	1,09,42,382	-	5,66,76,000	9,41,16,218

5. Shareholder/Investor Grievance Committee

The Shareholder/Investor Grievance Committee specifically looks into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of dividend and non-receipt of balance sheet etc. The composition of the Committee and details of the meeting attended by the Directors are given under:

Name of Member	Category	No. of meetings attended during FY 2012-13
Paramita Mahapatra, Chairperson	Non-Executive Non-Independent	27
Dr S Acharya	Non-Executive Independent	4
J K Misra	Executive Non-Independent	31

Dates on which meetings were held are	:	16.04.12,	30.04.12,	15.05.12,	31.05.12
		15.06.12,	30.06.12,	10.07.12,	23.07.12,
		31.07.12,	20.08.12,	31.08.12,	11.09.12,
		21.09.12,	29.09.12,	10.10.12,	20.10.12,
		27.10.12,	09.11.12,	29.11.12,	10.12.12,
		20.12.12,	31.12.12,	10.01.13,	21.01.13,
		31.01.13,	11.02.13,	20.02.13,	28.02.13
		12.03.13,	20.03.13,	30.03.13	

Name, designation & address of Compliance Officer:

Mr Prem Khandelwal
 CFO & Company Secretary
 Indian Metals & Ferro Alloys Limited
 Bomikhal, P.O. Rasulgarh
 Bhubaneswar – 751 010
 Phone: 0674-2580100
 Fax: 0674-2580020
 e-mail: pkhandelwal@imfa.in

No. of complaints received from the shareholders
 From 1st April 2012 to 31st March 2013 : 647

No. not solved to the satisfaction of the
 Shareholders as on 31st March 2013 : Nil

No. of pending share transfers as on 31st March 2013 : Nil

6. Finance Committee

In addition to the above referred committees which are mandatory under the Corporate Governance Code, the Board of Directors have also constituted a Finance Committee on 25th October 2008 to look into various banking and related business activities of the Company.

The Finance Committee specifically looks into various credit facilities granted by the Banks/FI's from time to time, execution of documents thereto, opening and closing of Bank Accounts, changes in authorised signatories, giving operating instructions and all other banking matters, etc. The composition of the Committee is given below.

Name of Member	Category	No. of meetings attended during FY 2012-13
Dr S Acharya, Chairman	Non-Executive Independent	Nil
Paramita Mahapatra	Non-Executive Non-Independent	2
J K Misra	Executive Non-Independent	2

Dates on which meetings were held are : 15.09.12, 20.11.12

7. General Body Meetings

Location and time where last three AGMs were held:

The last three AGMs were held on 17.07.2010 (at 12.30 PM), 16.07.2011 (at 3.00 PM) and 28.07.2012 (at 11.00 AM), at the Registered Office of the Company at Bomikhal, P.O. Rasulgarh, Bhubaneswar – 751010, Odisha.

Special Resolution passed in previous 3 AGMs:

Financial Year	Item
2009-10	1) Alteration to Articles of Association of the Company. 2) Appointment of Chief of CSR (Special Initiative).
2010-11	None
2011-12	None

No Special Resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting. However six Special Resolutions under Section 198, 269 & 309 of the Companies Act, 1956 for re-appointment of Dr B Panda as Executive Chairman, Mr Baijayant Panda as Vice Chairman, Mr Subhrakant Panda as Managing Director, Mr J K Misra as Director (Corporate), appointment of Mr C R Ray as Whole-time Director and one Special Resolution under Section 309 of the Companies Act, 1956 for distribution of commission amongst the Independent Directors.

were passed by the shareholders through Postal Ballot during the FY 2012-13. The procedure for Postal Ballot is as per section 192A of the Companies Act, 1956 and Rules made thereunder namely Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. The details of voting pattern are as under:

Sl No	Item(s)	No. of Valid Votes polled (%)	Votes cast in favour of the Resolution (%)	Votes cast against the Resolution (%)
1	Special Resolution for re-appointment of Dr B Panda as Executive Chairman of the Company	100	99.97	0.03
2	Special Resolution for re-appointment of Mr Baijayant Panda as Vice Chairman of the Company	100	99.99	0.01
3	Special Resolution for re-appointment of Mr Subhrakant Panda as Managing Director of the Company	100	99.99	0.01
4	Special Resolution for re-appointment of Mr J K Misra as Director (Corporate) of the Company	100	99.99	0.01
5	Special Resolution for re-appointment of Mr C R Ray as Whole-time Director of the Company	100	99.97	0.03
6	Special Resolution for fixation of payment of commission to Independent Directors	100	99.97	0.03

The postal ballot result was declared on 25th December 2012.

The Board appointed Mr Sourjya Prakash Mohapatra, a practicing Chartered Accountant as Scrutinizer to conduct the postal ballot process in a transparent manner.

8. Disclosures

- (i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

The Board has received general disclosure of interest from the Directors under Section 299 of the Companies Act, 1956. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

NIL

- (iii) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.

Currently, the Company does not have a Whistle Blower Policy. However, no employee is denied access to the Audit Committee.

- (iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

All mandatory requirements are complied with. Non-mandatory requirements will be reviewed from time to time.

9. Code of Conduct

The Company has laid down a Code of Conduct for all Board Members & Senior Executives of the Company. The Code of Conduct is available on the website of the Company www.imfa.in.

DECLARATION

As provided under Clause 49 of the Listing Agreement, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Financial Year ended 31st March 2013.

New Delhi

15th May 2013

Subhrakant Panda

Managing Director

10. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification, issued pursuant to the provisions of clause 49 of the Listing Agreement

To the Board of Directors of Indian Metals & Ferro Alloys Limited

Dear Sirs,

Sub: CEO & CFO Certificate

We have reviewed the financial statements, read with the cash flow statement of Indian Metals & Ferro Alloys Limited, for the year ended 31st March 2013 and that to the best of our knowledge and belief, we state that:

- (a)
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
 - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
 - (i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely

Place: New Delhi

Date: 15th May 2013

Prem Khandelwal

CFO & Company Secretary

Subhrakant Panda

Managing Director

11. Means of Communication

The Company normally publishes the quarterly unaudited results and audited results for the last quarter in 'Business Standard' (English), 'The Pragativadi' (vernacular). Further the results are provided on the Company's website www.imfa.in. The unaudited results of the first, second and third quarter are announced within 45 days of the end of the relevant quarter and annual audited results along with the fourth quarter results are announced within 60 days of the end of the Financial Year.

12. General Shareholder Information

Annual General Meeting

Date & time	: 27th July 2013 at 12.00 Noon
Venue	: At the Registered Office of the Company at Bomikhal, P.O.Rasulgarh, Bhubaneswar – 751 010, Odisha.
Financial Year	: 1st April 2012 to 31st March 2013
Dates of Book closure	20th July 2013 to 27th July 2013(both days inclusive)
Dividend Payment Date	: Dividend warrants will be despatched within 30 days from the date of Annual General Meeting.
Listing in Stock Exchanges	: The equity shares are listed at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd since 28th January 2009 and 23rd July 2010 respectively. Listing fee for the FY 2013-14 has been paid to the above said Stock Exchanges.
Stock Code	BSE: 533047 NSE: IMFA
Market price data	: The high/low market price shown during the period 01.04.2012 to 31.03.2013 at the Bombay Stock Exchange and National Stock Exchange are as under.

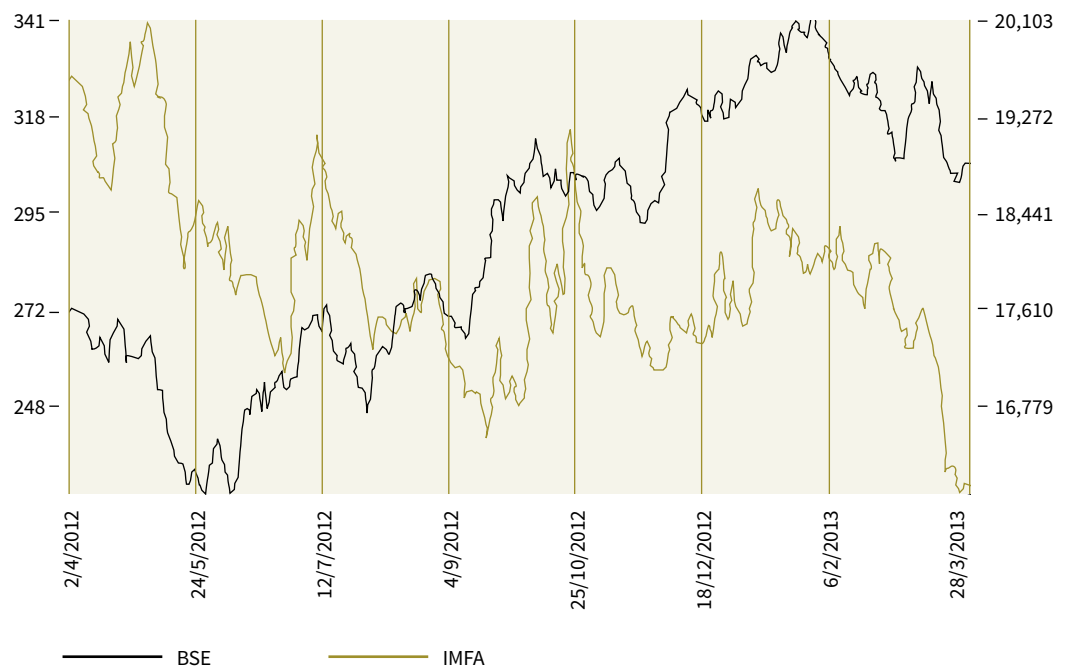
BSE:		
Month	High	Low
April 2012	344.00	296.25
May 2012	362.00	276.10
June 2012	300.00	252.15
July 2012	314.50	261.00
August 2012	284.90	249.00
September 2012	272.00	220.00
October 2012	333.55	250.00
November 2012	289.00	253.20
December 2012	290.00	254.00
January 2013	309.70	265.00
February 2013	305.75	265.25
March 2013	285.10	222.05

NSE:		
Month	High	Low
April 2012	396.00	285.00
May 2012	365.00	276.65
June 2012	300.00	251.45
July 2012	315.00	260.45
August 2012	285.00	250.00
September 2012	283.00	239.20
October 2012	333.00	246.55
November 2012	332.95	241.25
December 2012	316.35	255.00
January 2013	309.00	265.55
February 2013	306.00	265.00
March 2013	286.50	222.10

Performance in comparison to Broad-based indices:

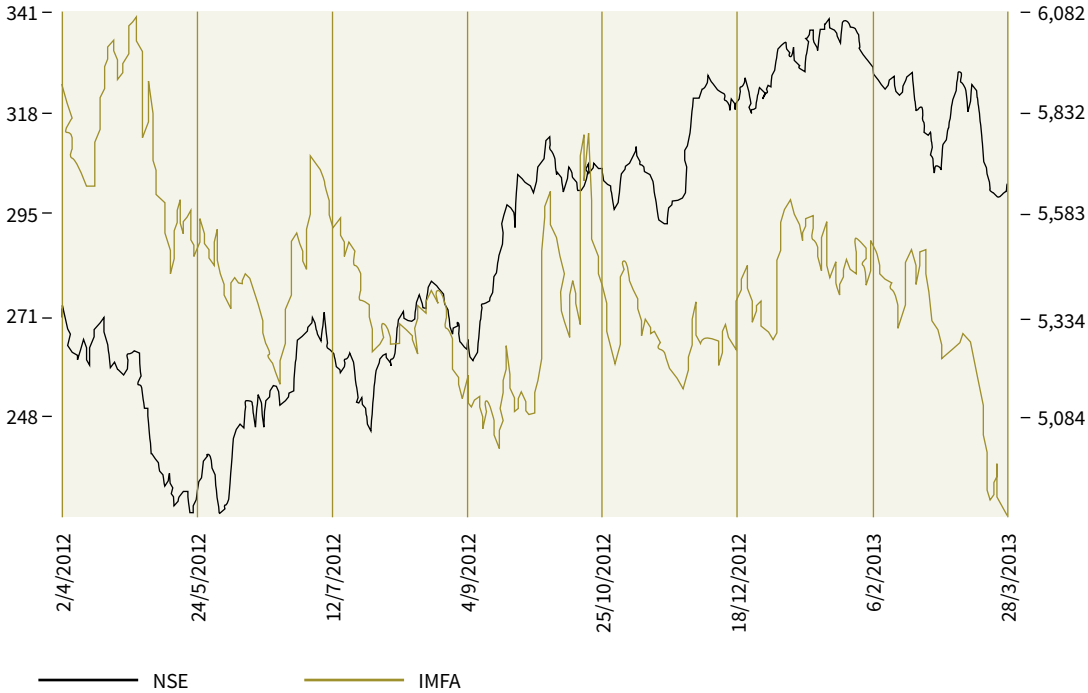
Performance of share price of the Company in comparison to BSE Sensex is as under:

IMFA v/s BSE



Performance of share price of the Company in comparison to NSE Nifty is as under:

IMFA v/s NSE



Registrar and Share transfer agents : The Company does the share transfer work in-house.
 Share Transfer system : Share Transfer in physical form should be lodged at the Company’s Registered Office at Bomikhal, Rasulgarh, Bhubaneswar. The Company’s share transfer activity is fully computerised. The Shareholders/Investors Grievance Committee meets thrice in a month to approve share transfers and other share related matters.

Distribution of shareholding as on 31st March 2013:

No. of equity shares held	No. of shareholders	% to total
Upto 250	41,223	97.93
251 - 500	403	0.96
501 - 1,000	229	0.54
1,001 - 2,000	105	0.25
2,001 - 3,000	40	0.10
3,001 - 4,000	18	0.04
4,001 - 5,000	10	0.02
5,001 - 10,000	19	0.05
10,001 & above	48	0.11
Total	42,095	100.00

Categories of shareholders as on 31st March 2013:

Category	No. of shares	%
Promoters & Promoter Group	1,44,77,868	55.73
Mutual Fund/UTI	25,27,341	9.73
Financial Institutions & Banks	2,34,169	0.91
Foreign Institutional Investors	25,013	0.09
Bodies Corporate	10,49,272	4.04
Trusts	20	0.00
Overseas Corporate Bodies	56,34,759	21.69
NRIs	2,08,534	0.80
Individuals	18,20,077	7.01
Total	2,59,77,053	100.00

Dematerialisation of shares & liquidity : The Company's shares are connected under both the Depository Systems NSDL & CDSL. The International Securities Identification Number (ISIN) allotted to the Company's equity shares under the Depository System is INE919H01018.

Outstanding GDRs/ADRs/Warrants or any convertible instruments : NIL

Plant locations

Factory : Therubali, District - Rayagada - 765018, Odisha
Choudwar, District - Cuttack - 754071, Odisha

Mines : Sukinda Chromite Mines, PO Kaliapani, Sukinda, District - Jajpur, Odisha
Mahagiri Chromite Mines, Sukinda, District - Jajpur, Odisha
Chingudipal Chromite Mines, District - Jajpur, Odisha
Nuasahi Chromite Mines, District - Keonjhar, Odisha
Bangur Chromite Mines, District - Keonjhar, Odisha

Address for correspondence : **Indian Metals & Ferro Alloys Limited**

Registered & Head Office:

Bomikhal, Rasulgarh (PO)
Bhubaneswar - 751 010, Odisha
Phone: +91 674 3051000 / 2580100
Fax : +91 674 2580020 / 2580145
mail@imfa.in; www.imfa.in

Certificate on Corporate Governance

Under Clause 49 of Listing Agreement

To

The Members of

Indian Metals & Ferro Alloys Limited

We have examined the compliance of conditions of Corporate Governance by Indian Metals & Ferro Alloys Limited for the year ended 31st March 2013 as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company or ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement .

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Raghu Nath Rai & Co.**

Chartered Accountants

Firm Regn. No. 000451N

(Sharat Prakash)

Partner

Membership No. 96267

Place: New Delhi

Date: 15th May 2013

Independent Auditors' Opinion

To the Members of

Indian Metals & Ferro Alloys Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Indian Metals & Ferro Alloys Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except that,

1. *Disputes with Gridco were settled in favour of the Company vide a unanimous award of the Arbitration Panel dated 23rd March 2008. Subsequently, Gridco filed a petition before the Hon'ble District Judge, Bhubaneswar and obtained an interim stay on the operation of the said award. The Company has filed its objection in the matter.*
2. *An amount of Rs. 11.39 Crores withheld by sundry debtors, the effect of which on the current year's accounts cannot be ascertained pending settlement thereof*

the 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:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- b. in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- c. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - e. On the basis of the written representations received from the Directors as on 31st March 2013 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Act.

for Raghu Nath Rai & Co.

Chartered Accountants
Firm Regn No. 000451N

(Sharat Prakash)

Partner

Membership No. 96267

Place: New Delhi
Date: 15th May 2013

Annexure to the Auditors' Report

The Annexure referred to in paragraph 1 of our Report of even date to the members of Indian Metals & Ferro Alloys Limited on the accounts of the Company for the year ended 31st March 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, major portion of assets have been physically verified by the management during the year; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no substantial parts of fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) 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 or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clause 4 iii (b), iii (c) and iii (d) of the order are not applicable to the Company.
 - (b) 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 taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) As per information & explanations given to us and in our opinion, the transactions entered into by the Company with parties covered u/s 301 of the Act, that exceed five lakhs rupees in the financial year, as mentioned below, have been made at the prices which are reasonable having regard to the prevailing market prices at the relevant time.

Sl. No.	Name of the party	Nature of arrangement	With effect from	Amount (Rs.) p.a
1	B. P Co. Private Limited	Rental Agreement	1st April 2012	25,20,000
2	B. P Co. Private Limited	Rental Agreement	1st October 2012	7,44,000
3	B. P Co. Private Limited	Rental Agreement	1st October 2012	7,44,000
4	Utkal Charitable Trust	Rental Agreement	1st October 2012	5,04,000
5	Utkal Charitable Trust	Rental Agreement	1st October 2012	12,60,000
6	Mr Baijayant Panda	Rental Agreement	1st November 2012	21,00,000

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March 2013 for a period of more than six months from the date they became payable except for electricity duty as mentioned vide Note 26.4 (notes forming part of the accounts).
- (b) According to the information and explanations given to us, there is no amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes pending except as under:

Name of the statute	Nature of dues	Amount Rs. in lakhs	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Custom Duty	535.54	2001-04	CESTAT, Bangalore
Customs Act, 1962	Anti-dumping Duty	4.30	April 2003	Orissa High Court
Customs Act, 1962	Custom Duty	2.30	2005-06	CESTAT, Kolkata
Income Tax Act, 1961	Income Tax	25.79	AY 1987-88, 88-89, 89-90	Orissa High Court
Income Tax Act, 1961	Income Tax	3,144.86	AY 2008-09	CIT (A)-II, Bhubaneswar
Income Tax Act, 1961	Income Tax	4,376.42	AY 2009-10	CIT (A)-II, Bhubaneswar
Income Tax Act, 1961	Income Tax	11,930.54	AY 2008-09	CIT (A)-II, Bhubaneswar
Income Tax Act, 1961	Income Tax	418.44	AY 2010-11	CIT (A)-II, Bhubaneswar
Central Excise Act, 1944	Central Excise	20.76	1993-2002	Orissa High Court
Central Excise Act, 1944	Central Excise	3.85	2012-13	Comm (A)
Central Excise Act, 1944	Central Excise	18.04	2012-13	Comm (A)
Central Excise Act, 1944	Central Excise	19.53	2011-12	Comm (A)
Central Excise Act, 1944	Central Excise	28.88	2011-12	Comm (A)
Orissa value Added Tax Act, 2004	VAT (FAD Unit)	2.30	February 2008 to May 2009	A. C., Sales Tax
Orissa Sales Tax Act, 1947	O S T	7.04	2002 - 03	A. C., Sales Tax
Orissa Sales Tax Act, 1947	OST	4.19	1994-95	Sales Tax Tribunal
Orissa Entry Tax Act, 1999	Entry Tax	2.00	2002-03	Sales Tax Tribunal
Orissa Entry Tax Act, 1999	Entry Tax	482.84	From March 2008 to March 2013	Supreme Court of India.
Orissa EntryTax Act, 1999	Entry Tax (FAD Unit)	44.79	February 2008 to May 2009	Orissa High Court

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year. While reporting on this clause, we have not taken into consideration the unquantifiable qualifications being shown in our audit report.
11. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a Nidhi/Mutual benefit Fund/Society. Therefore, the provision of this clause of the Companies (Auditors' Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not trading in Shares, Mutual Funds & other Investments.
15. According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions, the details of which has been mentioned below, the terms and conditions where of are not prejudicial to the interest of the Company.

Name of the Company	Name of the bank /FIS	Loan sanctioned (Rs. Crores)	Loan availed (Rs. Crores)	O/s as at 31st March 2013 (Rs. Crores)
Utkal Coal Ltd.	SREI Finance Ltd.	73.60	73.60	72.86
Utkal Coal Ltd.	ICICI Bank Ltd.	86.40	86.35	86.35

16. According to the information and explanations given to us, the term loan taken by the Company have been applied for the purpose for which they were raised.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

for Raghu Nath Rai & Co.

Chartered Accountants
Firm Regn No. 000451N

(Sharat Prakash)

Partner
Membership No. 96267

Place: New Delhi
Date: 15th May 2013

Balance Sheet

as at 31st March 2013

		Rs. in Crores	
	Note	As at 31.03.2013	As at 31.03.2012
I. Equity and Liabilities			
1. Shareholders' Funds			
(a)	Share Capital	25.98	25.98
(b)	Reserves and Surplus	799.62	760.93
		825.60	786.91
2. Non-current Liabilities			
(a)	Long Term borrowings	634.22	579.49
(b)	Deffered Tax Liability(Net) (Note 26.15)	54.21	20.31
(c)	Other Long term liabilities	142.05	98.56
(d)	Long-term provisions	3.11	3.40
		833.59	701.76
3. Current Liabilities			
(a)	Short Term borrowings	195.67	133.25
(b)	Trade payables	124.38	157.48
(c)	Other current liabilities	155.82	145.95
(d)	Short-term provisions	179.01	164.38
		654.88	601.06
TOTAL		2,314.07	2,089.73
II. Assets			
1. Non-Current Assets			
(a)	Fixed Assets		
(i)	Tangible assets	1,417.29	857.89
	Less: Depreciation	410.62	349.70
	Net Tangible assets	1,006.67	508.19
(ii)	Capital Work-in-Progress	235.02	602.56
		1,241.69	1,110.75
(b)	Non-current investment	165.41	139.37
(c)	Long-term loans and advances	93.21	114.40
(d)	Other non-current assets	11.58	11.58
2. Current Assets			
(a)	Inventories	319.16	329.69
(b)	Trade Receivables	34.73	36.44
(c)	Cash and Cash Equivalents	65.73	19.40
(d)	Current Investments	23.14	0.00
(e)	Short-term loans and advances	358.90	327.43
(f)	Other current assets	0.52	0.67
		802.18	713.63
TOTAL		2,314.07	2,089.73

Notes to financial statements (Including significant accounting policies) 1 to 27

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

This is the Balance Sheet referred to in our report of even date.

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajjayant Panda
Vice Chairman

Statement of Profit and Loss

for the year ended 31st March 2013

Rs. in Crores

	Note	Year 2012-2013	Year 2011-2012
I. Revenue from operations	19	1,273.25	1,192.54
II. Other Income	20	7.76	5.64
III. Total Revenue		1,281.01	1,198.18
IV. Expenses:			
Cost of materials consumed	21	641.34	674.86
Change in inventories of finished goods		39.46	(31.05)
Employee Benefits Expense	22	102.62	92.67
Finance cost	23	87.47	83.20
Depreciation and amortisation exp	10	81.69	55.18
Other expenses	24	215.44	227.05
Total expenses		1,168.02	1,101.91
V. Profit before Prior Period/Exceptional items & Tax		112.99	96.27
VI. Prior Period income		2.28	0.02
VII. Exceptional items – expense		11.99	0.00
VIII. Profit Before Tax		103.28	96.29
IX. Tax Expense:			
Current Tax/MAT		21.90	28.37
Deferred Tax		33.90	6.57
Earlier years Adjustments - Income		(6.41)	(2.58)
X. Profit After Taxation		53.89	63.93
Balance Brought Forward		361.48	319.05
Profit Available For Appropriation		415.37	382.98
Earnings Per Share			
Basic and Diluted Earnings Per Share (in rupees)		20.74	24.61
(refer note no. 26.14)			

Notes to financial statements (Including significant accounting policies) 1 to 27
The Notes referred to above form an integral part of the financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Baijayant Panda
Vice Chairman

Cash Flow Statement

for the year ended 31st March 2013

	Rs. in Crores	
	Year 2012-2013	Year 2011-2012
A. Cash Flow From Operating Activities		
Net Profit before Tax	103.28	96.29
Adjustment for:		
Depreciation	81.69	55.18
Loss on sale of assets	7.57	0.07
Profit on sale of assets	(0.84)	(0.50)
Unrealised foreign exchange loss	1.59	2.83
Prior Period Income	(2.28)	(0.02)
Interest income	(4.95)	(1.83)
Interest and financial expenses	37.12	30.07
Operating profit before working capital changes	223.18	182.09
Adjustment for:		
Trade & other receivables	(38.41)	(86.62)
Inventories	10.53	1.47
Trade Payables	32.40	70.69
Cash Generated from Operations	227.70	167.63
Direct taxes paid	(44.70)	(52.98)
NET CASH GENERATED FROM OPERATING ACTIVITIES	183.00	114.65
B. Cash Flow From Investing Activities		
Purchase of fixed Assets	(192.84)	(379.86)
Sale of fixed Assets	42.76	0.81
Sale/(Purchase) of Investment	(49.18)	5.37
Interest received	4.95	1.83
NET CASH USED IN INVESTING ACTIVITIES	(194.31)	(371.85)
C. Cash Flow From Financing Activities		
Interest and financial charges paid	(46.10)	(30.07)
Repayment of Loans	(121.23)	(82.99)
Cash Credit	63.61	43.98
Proceeds from long term borrowings	176.46	295.43
Proceeds from Unsecured Loan	0.00	40.54
Dividend paid (including dividend tax)	(15.10)	(15.10)
NET CASH GENERATED FROM FINANCING ACTIVITIES	57.64	251.79
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	46.33	(5.41)
CASH & CASH EQUIVALENTS – OPENING BALANCE	19.40	24.81
CASH & CASH EQUIVALENTS – CLOSING BALANCE	65.73	19.40
CASH & CASH EQUIVALENTS – CB as per Balance Sheet	65.73	19.40

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajjayant Panda
Vice Chairman

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 1 Share Capital		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 3,00,00,000 Equity Shares of Rs. 10/- each)	30.00	30.00
40,000 Redeemable 9.5% Cumulative (Previous Year 40,000 Preference Shares of Rs. 100/- each)	0.40	0.40
2,60,000 2nd Series Redeemable Cumulative (Previous Year 2,60,000 Preference Shares of Rs. 100/- each)	2.60	2.60
	33.00	33.00
Issued, Subscribed and Paid-up		
2,59,77,053 Equity Shares of Rs. 10/- each fully paid (Previous Year Shares 2,59,77,053 of Rs. 10/- each)	25.98	25.98
	25.98	25.98

a Share Holding:

Disclosure pursuant to Note no.6(A)(d) of Part I of Schedule VI of Company Act,1956

Particulars	Equity Shares		Preference Shares	
	No of share	Rs. in Crores	No of share	Rs. in Crores
i Shares outstanding at the beginning of the year	2,59,77,053	25.98	Nil	
ii Shares issued during the year	Nil			
iii. Shares cancelled during the year	Nil			
iv Shares outstanding at the end of the year	2,59,77,053	25.98	Nil	

b Share Holding more than 5%:

Disclosure pursuant to Note no.6(A)(g) of Part I of Schedule VI of Company Act,1956(If more than 5%)

	As at 31.03. 2013		As at 31. 03.2012	
	No of shares	%	No of shares	%
i Barabati Investment & Trading Co Pvt. Ltd.	26,34,778	10.14	26,34,778	10.14
ii KB Investment Pvt. Ltd.	25,16,401	9.68	25,16,401	9.68
iii Madhuban Investment Pvt. Ltd.	23,95,696	9.22	23,95,696	9.22
iv Paramita Investment & Trading Co Pvt. Ltd.	26,34,778	10.14	26,34,778	10.14
v LITEC	38,44,259	14.79	38,44,259	14.79

c Shares allotted other than cash:

Disclosure pursuant to Note no.6(A)(i) of Part I of Schedule VI of Company Act, 1956:

25,11,754 shares were allotted to the Shareholders of Utkal Manufacturing & Services Ltd. upon acquisition of its assets by the Company in the FY 2009-10 pursuant to the Scheme of Demerger of its Ferro Alloys Division.

Notes

Annexed to the Accounts

		Rs. in Crores	
Particulars		As at 31.03.2013	As at 31.03.2012
Note 2 Reserves and Surplus			
1	Capital Reserves		
	Backward Area Development Subsidy	0.15	0.15
	Housing Subsidy	0.01	0.01
	Other Capital Reserves	0.75	0.75
		0.91	0.91
2	Capital Redemption Reserve	0.20	0.20
3	Securities Premium Reserve	131.39	131.39
4	Other Reserve		
	General Reserve (Opening Balance)	266.95	263.54
	Adjustments during the year	0.00	(2.99)
	Add: Transferred from Profit and Loss Account	5.39	6.40
		272.34	266.95
5	Surplus as per Profit and Loss Account	415.37	382.98
	Less: Appropriations		
	Proposed Dividend @ 50%	(12.99)	(12.99)
	Tax on Dividend	(2.21)	(2.11)
	General Reserve	(5.39)	(6.40)
	Balance Carried Forward	394.78	361.48
		799.62	760.93

		Rs. in Crores	
Particulars		As at 31.03.2013	As at 31.03.2012
Note 3 Long Term Borrowings			
Term Loans from Banks, FIs & Others (secured)			
1.	IDBI	0.00	56.09
2.	PFC, PFS & IDBI	404.53	357.69
3.	IDBI	50.22	59.38
4.	IDBI	22.52	0.00
5.	State Bank of India	52.20	60.90
6.	State Bank of India	0.00	18.70
7.	ECB from Standard Chartered Bank	14.10	20.89
8.	ECB from Standard Chartered Bank	79.20	0.00
9.	SREI Equipment Finance Pvt. Ltd.	0.00	5.84
10.	SREI Equipment Finance Pvt. Ltd.	11.45	0.00
		634.22	579.49

Notes

Annexed to the Accounts

Notes

- From IDBI secured by pari passu first charge on present and future fixed assets of the Company (excluding property situated at 44, Chowringhee Road, Kolkata, Aircrafts, Vehicles, Office Equipments of Therubali Division & project assets related to 27 MVA Plant, 30 MVA plant, 30 MW & 120 MW Power Plant, Coal Handling Plant etc).
EMI of Rs. 4.67 Crores till March 2014
- From PFC, PFS & IDBI secured by first charge ranking pari passu on the Company's movable & immovable properties, present & future relating to the 120 MW Power Plant in addition to the personal Guarantee of two directors.
PFC: 48 EQI of Rs. 6.20 Crores from April 2014
PFS: 48 EQI of Rs. 2.50 Crores from January 2013
IDBI: 48 EQI of Rs. 0.60 Crores from November 2012
- From IDBI secured by exclusive charge on Coal Handling Plant (CHP) assets.& personal guarantee of two Directors.
28 EQI of Rs. 2.29 Crores from October 2012
- From IDBI secured by charge on pari-passu basis on the immovable & movable assets of the Company's Therubali & Choudwar units (excluding the fixed Assets exclusively charged), both present & future.
24 EMI from October 2013
- From State Bank of India secured by exclusive charge on 30 MW captive power plant (CPP) assets, pari passu first charge on the plot no. 43 on which CPP has been erected and second charge on current assets in addition to the personal guarantees of two Directors.
EQI of Rs. 2.175 Crores from July 2010 to June 2014
EQI of Rs. 2.610 Crores from July 2014 to June 2019
- From State Bank of India secured by exclusive charge on 30 MVA assets in addition to the personal guarantees of two Directors.
EQI of Rs. 2.33 Crores from December 2010 to March 2015. The amount has been settled in full during the year.
- ECB from Standard Chartered Bank secured by 27 MVA furnace at Choudwar.
17 EQI US\$ 411,764.71 from October 2011 to October 2015
- ECB from Standard Chartered Bank secured by GCP & BQT plant at Therubali & LDA, FAB-1, FAB-2 at Choudwar.
EQI of US\$ 937,500 from January 2014 to October 2017
- From SREI Equipment Finance Pvt. Ltd. secured by exclusive charge on the CJ 2 Cessna Aircraft.
EMI from May 2011 to February 2014
- From SREI Equipment Finance Pvt. Ltd. secured by exclusive charge on Winder project at Mines.
EMI from February 2013 to November 2016

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
Note 4 Other Long Term Liabilities		
Unsecured		
Lease Payable	32.85	0.00
Trade Payable:		
Payable to Tisco	1.33	1.33
Payable to GRIDCO (Refer Note no.26.4)	97.19	86.55
Security Deposit	10.68	10.68
	142.05	98.56

Notes

Annexed to the Accounts

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
Note 5 Long Term Provisions		
Provision for Employee Benefits	3.11	3.40
	3.11	3.40

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
NOTE 6 Short Term Borrowings		
1. Loans Payable on Demand		
a) Working Capital Loan		
Bank		
SBI	56.82	1.32
SCB	75.57	61.00
IDBI	10.71	13.96
ICICI	0.00	13.98
DBS	51.32	0.00
	194.42	90.26
b) Unsecured loan from DBS Bank	0.00	40.54
2. Advance from Subsidiary	0.03	0.07
3. Advance from Customers	0.56	1.64
4. Earnest Money and Security Deposits	0.66	0.74
	195.67	133.25

Notes

- a) From State Bank of India and Standard Chartered Bank, secured by hypothecation of entire stock & book debt of the Company & fixed assets Of Therubali Division excluding property situated at 44, Chowringhee Road, Kolkata aircrafts, vehicles, office equipments of Therubali Division) on pari passu basis in addition to the personal guarantee of two Directors and from IDBI Bank Ltd., ICICI Bank Ltd. and DBS Bank, secured by hypothecation of entire stocks and book debts of the Company.
- b) The loan from DBS Bank which was previously unsecured is secured loan during the year.

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 7 Trade Payables		
Trade Payable	124.38	157.48
	124.38	157.48

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 8 Other Current Liabilities		
Current Maturity of Long Term Debt	111.75	110.30
Current Maturity of Lease Obligation	0.38	0.00
Unpaid Dividend @	0.65	0.57
Due to Directors	6.04	5.09
Interest Accrued but not Due	8.97	2.12
Project Payable	21.18	20.44
Other Liabilities	6.85	7.43
	155.82	145.95

@ There is no amount due and outstanding to be credited to Investor Education and Protection Fund

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 9 Short Term Provisions		
Taxation	156.23	141.72
Proposed Dividend	12.99	12.99
Tax on Dividend	2.21	2.11
Employees Benefit	7.58	7.56
	179.01	164.38

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2012	Additions	Sales/ Transfer	As at 31.03.2013	As at 01.04.2012	For the year	Deductions	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
A. Owned Assets										
Freehold Land	42.39	2.61	0.00	45.00	0.00	0.00	0.00	0.00	45.00	42.39
Buildings	212.99	151.56	0.05	364.50	71.12	16.58	0.03	87.67	276.83	141.87
Railway Siding & Runways	5.88	14.01	0.00	19.89	3.20	1.24	0.00	4.44	15.45	2.68
Office Equipments	8.67	0.54	0.08	9.13	4.91	0.59	0.06	5.44	3.69	3.76
System Machineries	6.50	1.66	0.00	8.16	3.80	1.36	0.00	5.16	3.00	2.70
Plant & Machinery	530.62	388.95	59.23	860.34	250.93	55.92	18.27	288.58	571.76	279.69
Furniture & Fixtures	4.48	0.76	0.00	5.24	3.22	0.33	0.00	3.55	1.69	1.26
Vehicles	16.19	5.50	3.40	18.29	7.84	3.18	2.41	8.61	9.68	8.35
Aircrafts	8.38	23.29	0.00	31.67	4.68	1.68	0.00	6.36	25.31	3.70
	836.10	588.88	62.76	1,362.22	349.70	80.88	20.77	409.81	952.41	486.40
B. Leased Assets										
Plant & Machinery	0.00	33.28	0.00	33.28	0.00	0.81	0.00	0.81	32.47	0.00
Leasehold Land	21.79	0.00	0.00	21.79	0.00	0.00	0.00	0.00	21.79	21.79
	21.79	33.28	0.00	55.07	0.00	0.81	0.00	0.81	54.26	21.79
TOTAL (A + B)	857.89	622.16	62.76	1,417.29	349.70	81.69	20.77	410.62	1,006.67	508.19
Previous Year's Figures	700.31	159.90	2.32	857.89	296.37	55.18	1.85	349.70	508.19	403.94

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 11 Non-Current Investments		
Long Term Investments:		
(At Cost)		
Investments in Shares of Subsidiary Companies (Unquoted)		
10,49,960 Equity Shares of Rs. 10/- each fully paid-up in Indian Metals & Carbide Ltd.	1.09	
Less: Provision for diminution in investment	1.06	
	0.03	0.03
50,000 Equity Shares of Rs. 10/- each fully paid-up in Utkal Power Limited	0.05	0.05
1,94,50,000 Equity Shares of Rs. 10/-each fully paid up in Utkal Coal Limited @	108.92	82.88
23,00,000 Equity Shares of Rs. 10/- each fully paid-up in IMFA Alloys Finlease Limited	2.30	2.30
9,80,000 Equity Shares of Rs. 10/- each fully paid-up in Utkal Green Energy Limited	0.98	0.98
1,17,42,740 Equity Shares fully paid-up in Indmet (Mauritus) Limited (Refer Note No 26.7)	0.00	53.13
1,17,22,110 Equity Shares fully paid-up in Indmet Mining Pte Limited (Refer Note No 26.7)	53.13	0.00
	165.41	139.37

@ During the year 46,50,000 no.of equity shares of Rs. 10/- each has been purchased at Rs. 56/- per share fully paid-up.

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 12 Long Term Loans & Advances		
(Unsecured Considered good)		
Capital Advance	15.32	44.11
Security and Other Deposits	8.57	11.63
Deposit for electricity in No Lien & Escrow A/c	69.32	58.66
	93.21	114.40

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 13 Other Non-Current Assets		
Long Term Trade Receivables	11.58	11.58
(Unsecured considered good)		
	11.58	11.58

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 14 Inventories		
Inventories (verified, valued and certified by the Management)		
(a) Raw Materials(Includes RM-In-Transit Rs. 1.86 Crores/PY Rs. 19.76 Crores)	172.81	156.93
(b) Stores and Spares	40.54	27.49
(c) Loose Tools	0.12	0.12
(d) Finished Stock(Includes FG-In Transit Rs. 33.23 Crores/PY Rs. 33.80 Crores)	105.69	145.15
(includes Excise Duty on Finished Stock not assessed to duty Rs. 3.54 Crores - previous year Rs. 9.25 Crores)		
	319.16	329.69

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 15 Trade Receivables		
Trade Receivables (unsecured and considered good by the management)		
(a) Over Six Months		
Considered good	4.94	2.13
Considered doubtful	0.38	0.38
Less: Provision for doubtful	(0.38)	(0.38)
	4.94	2.13
(b) Others - Considered good	29.79	34.31
	34.73	36.44

Notes

Annexed to the Accounts

Rs. in Crores

Particulars		As at 31.03.2013	As at 31.03.2012
Note 16	Cash and Cash Equivalents		
(a)	Balances with Banks		
	In Current Accounts(includes unpaid dividend of Rs. 0.65 Crores/PY Rs. 0.57 Crores)	34.14	6.55
	In Margin Deposits	3.63	7.65
	In Fixed Deposits(More than 12months maturity = Nil/PY = Nil)	27.40	4.40
		65.17	18.60
(b)	Cash in hand	0.56	0.80
		65.73	19.40

Rs. in Crores

Particulars		As at 31.03.2013	As at 31.03.2012
Note 17	Current Investment		
	Birla Sunlife Mutual Fund	23.14	0.00
	(Cost or market value, whichever is less) (Market value: Rs. 23.14 Crores)		
		23.14	0.00

Rs. in Crores

Particulars		As at 31.03.2013	As at 31.03.2012
Note 18	Short Term Loan & Advances		
1.	Loans and Advances (unsecured and considered good by the management)		
	a) Advances and Loans to subsidiary companies	5.06	1.36
	b) Advances recoverable in cash or in kind or for value to be received considered good	78.71	96.68
		83.77	98.04
2.	Advance Income Tax paid (including TDS)	210.44	173.13
3.	Deposit with Excise and Customs	64.69	56.26
		358.90	327.43

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 19 Revenue From Operation		
Sale of products:		
Ferro Chrome	1,199.26	1,164.11
Ferro Silicon	29.45	0.00
Power	7.20	0.80
Bricks	0.23	0.02
Total Sale	1,236.14	1,164.93
Less: Excise Duty	(28.48)	(19.57)
Net Sales	1,207.66	1,145.36
Other Operating Revenue:		
Export Incentives	64.04	38.23
Sale of Scrap	1.55	8.95
	1,273.25	1,192.54

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 20 Other Income		
Interest Income	4.95	1.83
Rent Realised	0.10	0.08
Profit on Sale of Assets	0.84	0.50
Claims Received	0.30	0.46
Miscellaneous Income	1.57	2.77
	7.76	5.64

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 21 Cost of Material Consumed		
Consumption of Raw Materials		
Coal	208.89	267.47
Chrome Ore	153.60	141.38
Quartz	6.34	5.26
Coke & Others	251.34	250.18
Carbon Paste	16.63	14.09
Others	17.94	16.23
Total	654.74	694.61
Less: Inter Unit transfer of Chrome Ore (Net)	(13.40)	(19.75)
	641.34	674.86

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 22 Employees Benefit Expenses		
Payment to Employees:		
Salaries, Wages, Bonus, Allowances, Retirement Benefits etc.	89.70	83.03
Contribution to Employees' Provident Fund and Other Funds	9.43	6.62
Workmen and Staff Welfare Expenses	3.49	3.02
	102.62	92.67

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 23 Finance Cost		
a) Interest Expenses:		
Interest on Long Term Loans	37.12	30.07
Interest on Working Capital	17.87	7.08
b) Other Finance charges	3.67	6.05
c) Other Borrowing Cost	4.52	3.98
d) Loss on Foreign Currency Transaction & Translation	24.29	36.02
	87.47	83.20

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 24 Other Expenses		
(a) Manufacturing		
Consumption of Stores, Spares and Tools	22.52	23.21
Consumption of Electricity	1.56	10.42
Electricity Duty	15.20	15.83
Energy Transmission Charges	3.74	4.44
Repairs and Maintenance		
Plant and Machinery	24.84	24.58
Buildings	3.37	3.66
Other Assets	5.91	4.99
	34.12	33.23
Finished Stock and Slag Handling Expenses	12.24	14.33
Other Factory Expenses	20.54	18.59
Excise Duty on Closing Stock of Finished Goods	(5.70)	6.22
	104.22	126.27

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year	Year
	2012-2013	2011-2012
Note 24 Other Expenses		
(b) Administrative		
Insurance	2.28	2.12
Rent	2.33	1.79
Rates and Taxes	1.29	5.39
Travelling and Conveyance	6.86	6.92
Legal and Consultancy Expenses	15.88	6.08
Auditors' Remuneration and Expenses	0.23	0.22
Commission & Sitting Fee (Non executive Directors)	0.39	0.34
Adjustment to carrying amount of Investment	0.00	1.18
Miscellaneous Expenses	15.66	14.06
	44.92	38.10
(c) Selling		
Carriage Outward and Handling Expenses	40.86	38.62
Export Promotion Expenses	1.57	2.59
Other Selling Expenses	23.87	21.47
	66.30	62.68
	215.44	227.05

Note 25 Significant Accounting Policies

25.1 Accounting Convention

- The financial statements have been prepared under the historical cost convention (excluding certain fixed assets which are restated pursuant to the composite scheme of arrangement and amalgamation) and in accordance with applicable Accounting Standards except where otherwise stated.
- The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

25.2 Revenue Recognition

- Gross sales represents invoiced value of goods sold net of sales tax but inclusive of excise duty.
- Inter unit transfers are adjusted against respective expenses.

25.3 Fixed Assets

- Freehold and leasehold lands are not depreciated.

- Expenses on construction of approach roads are treated as revenue.
- Depreciation is charged on plant & machinery and buildings of third furnace at Therubali on straight line method and for all other categories of assets, on the reducing balance method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.
- Full depreciation is charged on R & D assets in the year of installation.
- Assets held by the Company as lessee, where the Company has substantial ownership and all the risks and rewards are classified as finance lease. Such leases are capitalised at the inception of the lease at the fair market value or the present value of the minimum lease payments whichever is less and a liability is created for an equivalent amount. Each lease rental payment is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability.

Notes

Annexed to the Accounts

25.4 Investments

Current investments are valued at the lower of cost and fair value. Long-term investments are valued at cost except in the case of a permanent diminution in their value, in which case necessary provision is made.

25.5 Inventories

Inventories are valued as under, after providing for obsolescence:

- (a) Raw materials, stores & spares and loose tools are valued at weighted average cost. Finished goods, work-in-progress, slow moving, rejected/substandard stocks and fines generated are valued at lower of cost or net realisable value. Cost formula used is weighted average cost.
- (b) Carriage inward on general stores material is directly charged to revenue.
- (c) Stores and spares purchased for Aviation Division are directly charged to revenue.
- (d) Inter unit transfers of mining material and stock of usable ore at mines are valued at lower of cost or net realisable value.
- (e) By-products at mines are not valued as they do not carry any material value.

25.6 Debtors and Advances

Provision has been made for doubtful debts and advances to the extent considered necessary by the management.

25.7 Foreign Currency Translation

Foreign currency transactions are translated at the rate of exchange prevailing on the date of transaction. Closing balances in foreign currency as at Balance Sheet date are converted at the rate of exchange prevailing on that date.

25.8 Employee Benefits

- (a) Company's contributions to provident fund, pension fund and superannuation fund are accounted on accrual basis.
- (b) Provision for gratuity and leave encashment is made on the basis of actuarial valuation at the end of the year.

25.9 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended

use. All other borrowing costs are charged to revenue.

25.10 Financial Derivatives

In respect of financial derivatives, premium paid, losses on restatement and gains/losses on settlement are charged to the profit and loss account.

25.11 Deferred Tax

Deferred tax is recognised subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

25.12 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

25.13 Mining Development Expenses

Mining development expenses in respect of operating mines are charged off to revenue as and when incurred.

25.14 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

Note 26 Notes Forming Part of the Accounts

26.1 Disputes with Gridco were settled in favour of the Company vide a unanimous award of the Arbitration Panel dated 23rd March 2008. Subsequently, Gridco filed a petition before the District Judge,

Notes

Annexed to the Accounts

Bhubaneswar and obtained an interim stay on the operation of the said award. The Company has filed its objection in the matter.

26.2 In the arbitration proceedings relating to Tata Steel reneging on a conversion contract with the Company, an interim order was passed in January 2003 upholding all issues in the Company's favour without however quantifying the amount to be paid as damages by Tata Steel. The matter is now pending before the Hon'ble High Court of Kolkata.

26.3 An amount of Rs. 11.39 Crores withheld by Sundry debtors, the effect of which on the current year's account cannot be ascertained pending settlement thereof.

26.4 Pursuant to the order of Hon'ble High Court of Orissa dated 21st April 2005 the Company was paying electricity duty at 6 paise per unit to the Govt of Orissa and keeping the differential duty of 14 paise per unit in a separate 'no lien account' till final disposal of the writ petition. The Hon'ble High Court of Orissa disposed the said writ petition vide judgment dated 6th May 2010 by directing the Company to deposit the differential duty amount lying in no lien account with the State Exchequer. Hence the Company preferred an appeal before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court vide its order dated 7th February 2011 directed the Company to continue the payment in the same manner but to deposit the differential amount of 14 paise per unit in an Escrow account instead of no lien account till final disposal of the appeal. Accordingly, the Company is paying the balance 14 paise per unit in an escrow account with State Bank of India from February 2011 onwards.

26.5 Pursuant to a Scheme of Arrangement and Amalgamation sanctioned by Hon'ble Orissa High Court vide its order dated 13th October 2006 Indian Charge Chrome Limited ("ICCL") a group Company was amalgamated with the Company and debts of erstwhile ICCL became the liability of the Company. The Company has paid the entire settlement amount by accelerating the payments to all the secured creditors. However Andhra Bank, vide its notice dated 3rd April 2010, alleged that the right of recompense payable by the Company is Rs. 58.09 Crores and called upon the Company to pay the said amount within 15 days failing which threatened to institute recovery proceedings before DRT, Cuttack. The Company thereafter filed an application under section 392 of the Companies Act before the Hon'ble

Orissa High Court, in respect of the claim of Andhra Bank towards recompense amount etc. and the Hon'ble Orissa High Court vide its order dated 9th April 2010 directed that no coercive action shall be taken against the Company pursuant to the demand notice. The Company has been advised that the case of Andhra Bank has no merit.

26.6 The Company had filed a petition before the Hon'ble Orissa High Court under Section 392 of the Companies Act, 1956 to modify the Scheme of Arrangement & Amalgamation and confirm the reduction of share capital by cancellation of 3,49,466 equity shares of Rs. 10/- each held by 'Erstwhile ICCL Shareholders Trust'. The petition was approved by the Hon'ble High Court vide its order dated 16th March 2011 and registered with the Registrar of Companies (ROC), Orissa on 1st April 2011. Accordingly, the paid up equity share capital reduced from Rs. 26,32,65,190/- divided into 2,63,26,519 equity shares of Rs. 10/- each to Rs. 25,97,70,530/- divided into 2,59,77,053 equity shares of Rs. 10/- each. Subsequently, several shareholders challenged the reduction of share capital before a Division Bench of the Hon'ble High Court which vide its judgement dated 19th July 2011 directed the Company inter-alia to restore the aforesaid shares to the Trust and allot it to interested shareholders. The Company then moved to the Hon'ble Supreme Court which issued notice in the matter and granted interim stay on the subscription or cancellation of the said 3,49,466 shares. As such, status quo is to be maintained until further orders.

26.7 All the formalities regarding voluntary winding up of Indmet Mauritius Limited has been completed under the Law of Mauritius including no objection from all the regulatory authorities and the swearing in of the affidavit by the official liquidator for the same at Supreme court was made on 30th January 2013. Consequently all the shares of Indmet Mining (Pte) Ltd. held by Indmet Mauritius Ltd. has been transferred to the Company at par value during the year. Accordingly Indmet Mining (Pte) Ltd. (earlier 100% step down subsidiary) has become wholly owned subsidiary of the Company. Hence we have not considered it as subsidiary for the consolidated accounts as on 31st March 2013.

26.8 Provision for Income Tax for the current year and for the assessments completed but pending under appeals have been made to the extent considered necessary by the management.

Notes

Annexed to the Accounts

26.9 The Company has been providing employee benefits as per Accounting Standard – 15 based on the actuarial valuation under the projected unit credit method.

a) The amounts recognised in the Balance sheet are as under:

Particulars	Rs. in Crores			
	Gratuity 2012-2013	Gratuity 2011-2012	Leave Encashment 2012-2013	Leave Encashment 2011-2012
Present Value of obligation	16.61	15.37	3.52	3.95
Fair value of plan assets	16.58	15.24	-	-
Net Assets/(liabilities) recognised in balance sheet	(0.03)	(0.13)	(3.52)	(3.95)

b) Changes in present value of obligation:

Present Value of obligation at the beginning of the year	15.37	14.19	3.95	3.45
Interest Cost	1.28	1.19	0.33	0.30
Current service cost	1.06	1.08	0.07	0.21
Benefits paid	(1.62)	(0.96)	(1.73)	(1.29)
Actuarial (Gain)/loss on obligation	0.52	(0.13)	0.90	1.28
Present value of obligation as at the end of the year	16.61	15.37	3.52	3.95

c) Changes in plan assets:

Fair Value of plan assets as at the beginning of the year	15.24	12.55	-	-
Return on plan assets	1.42	1.11	-	-
Contributions	1.49	2.40	1.73	1.29
Benefits paid	(1.62)	(0.96)	(1.73)	(1.29)
Actuarial Gain/(loss) on Plan assets	0.05	0.14	-	-
Fair value of plan assets as at the end of the year	16.58	15.24	-	-

d) Principal actuarial assumptions at the Balance Sheet date are as follows:

Discount rate per annum compound	8.25%	8.00%	8.25%	8.00%
Rate of increase salaries	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	9.00%	8.00%	-	-
Expected average remaining working lives of employees (years)	16.35	15.57	16.35	15.57
Withdrawal rates	Varying between 4% per annum to 1% per annum depending on duration & age of the employees			
Mortality table	Standard table Indian Assured Lives Mortality(2006-2008)			

Notes

Annexed to the Accounts

26.10 Segment Reporting

Segments are being identified on the basis of dominant source and nature of risks and returns. Industry segments at the Company are primarily Ferro Alloys, Power & Chrome Ore Mining. The segments which are not required to be reported are grouped under 'Others'. Income, direct expenses and fixed assets in relation to segments are categorised based on items that are individually identifiable to that segment. The remainder are separately grouped as "Unallocated".

Rs. in Crores

	Year 2012-2013			Year 2011-2012		
	External Sale	Inter Segment	Total	External Sale	Inter Segment	Total
Segment Revenue						
a. Power	7.20	293.95	301.15	0.80	352.50	353.30
b. Ferro Alloys	1,200.23	-	1,200.23	1,144.54	-	1,144.54
c. Chrome Ore Mining	-	69.60	69.60	-	103.48	103.48
d. others	0.23	-	0.23	0.02	-	0.02
Total	1,207.66	363.55	1,571.21	1,145.36	455.98	1,601.34
Segment Result						
a. Power			(3.22)			(0.82)
b. Ferro Alloys			264.29			254.95
c. Chrome Ore Mining			-			-
d. Others			(0.32)			
Total			260.75			254.13
Less:						
Interest			87.47			83.20
Other Unallocable expenditure net off unallocable income			70.00			74.64
Profit Before Tax			103.28			96.29
Tax			49.39			32.36
Profit After Tax			53.89			63.93
Other Information						
	Segment Assets		Segment Liabilities	Segment Assets		Segment Liabilities
a. Power	1,054.95		147.56	929.84		153.15
b. Ferro Alloys	885.08		124.16	850.52		103.26
c. Chrome Ore Mining	45.73		1.76	39.59		13.11
d. Others	40.04		2.61	14.12		1.87
e. Unallocated	288.27		2,037.98	255.66		1,818.34
Total	2,314.07		2,314.07	2,089.73		2,089.73
	Capital Asset	CWIP	Depreciation	Capital Asset	CWIP	Depreciation
a. Power	698.58	161.74	48.78	188.62	580.49	22.74
b. Ferro Alloys	215.90	35.13	23.90	239.88	6.90	26.44
c. Chrome Ore Mining	18.91	1.39	2.26	17.50	0.97	1.76
d. Others	2.28	31.94	0.32	2.82	11.15	0.03
e. Unallocated	71.00	4.82	6.43	59.37	3.05	4.21
Total	1,006.67	235.02	81.69	508.19	602.56	55.18

Notes

Annexed to the Accounts

26.11 Related Party Disclosures

Disclosures as required by the Accounting Standard – 18 “Related Party Disclosures” are given below:

(a) List of related parties:

Subsidiaries:

- 1 Indian Metals & Carbide Ltd.
- 2 Utkal Power Ltd.
- 3 Utkal Coal Ltd.
- 4 IMFA Alloys Finlease Ltd.
- 5 Utkal Green Energy Ltd.
- 6 Indmet Mining (Pte) Ltd. , Singapore
- 7 PT. Sumber Rahayu Indah,Indonesia

Associates:

- 1 B Panda & Company Pvt. Ltd.
- 2 Madhuban Investment Pvt. Ltd.
- 3 Barabati Investment & Trading Company Pvt. Ltd.
- 4 K B Investment Pvt. Ltd.
- 5 Paramita Investment & Trading Company Pvt. Ltd.
- 6 Panda Investment Pvt. Ltd.
- 7 Utkal Charitable Trust
- 8 Indian Metals Public Charitable Trust
- 9 Utkal Manufacturing & Services Ltd.
- 10 Utkal Housing and Infrastructure Development Ltd.
- 11 B Panda Trust
- 12 Utkal Real Estate Pvt. Ltd.
- 13 B.P.Solar Pvt. Ltd.
- 14 Esquire Realtors Pvt. Ltd.
- 15 Bansidhar & Ila Panda Foundation
- 16 Kishangarh Enviromental Development Action Pvt. Ltd.
- 17 BP Developers Pvt. Ltd.
- 18 Barabati Realtors Pvt. Ltd.
- 19 KEDA Enterprise Pvt. Ltd.
- 20 Ortel communications Ltd.
- 21 Metro Skynet Ltd.
- 22 Rutayan Ila Trust
- 23 Shaisah Foundation

- 24 Goal Oriented Advisory & Legal Services Pvt. Ltd.
- 25 Paramita Realtors Pvt. Ltd.
- 26 Odisha Television Ltd.
- 27 Barunei Farm & Nature Resorts Pvt. Ltd.
- 28 Starone Projects Pvt. Ltd.
- 29 Orissa Coal & Services Pvt. Ltd.
- 30 INDMET Commodities Pvt. Ltd.
- 31 Palios Corporation
- 32 Commercial City Centre Pvt. Ltd.
- 33 Carolina Consulting Pvt. Ltd.
- 34 Kalinga Airways Pvt. Ltd.
- 35 Rairae Realtors Pvt. Ltd.
- 36 Odisha Infratech (P) Ltd.
- 37 Orissa Telefilms (P) Ltd.
- 38 Tarang Broadcasting Company Ltd.
- 39 Ortel Dayitwa Charitable Trust
- 40 Raila Enterprises Pvt. Ltd.
- 41 M S Realtors Pvt. Ltd.
- 42 Awaaz Foundation
- 43 Span Resources India (P) Ltd.
- 44 Nilanchal Aqua Farms Pvt. Ltd.
- 45 Roumayne Foundation
- 46 Reva Foundation
- 47 Spark Mineral & Services LLP

Key Management Personnel and Relatives:

- Dr B Panda
- Mr Baijayant Panda
- Mrs Jagi Mangat Panda
- Mr Subhrakant Panda
- Mrs Shaifalika Panda
- Mrs Paramita Mahapatra
- Mr Rajen Mahapatra
- Mrs Nivedita Ganapathi
- Mr S K Ganapathi
- Mr J K Misra
- Mr C R Ray

Notes

Annexed to the Accounts

(b) Transactions with related parties: 1st April 2012–31st March 2013

Rs. in Crores

Sl. No.	Nature of Transactions	Subsidiaries	Associates	Key Management Personnel & Relatives
1	Purchase of raw materials and stores etc.	- (0.03)	35.07 (57.38)	- (-)
2	Services received	- (0.04)	102.61 (118.55)	0.41 (0.25)
3	Managerial Remuneration	- (-)	- (-)	9.41 (7.02)
4	Advance for purchases of Raw Material	- (-)	- (2.53)	- (-)
5	Guarantees	159.21 (146.60)	- (-)	- (-)
6	Donation	- (-)	2.09 (1.00)	- (-)
7	Purchase of Assets	- (13.66)	- (-)	- (-)
8	Sale of assets & assets taken on lease	33.28 (-)	- (-)	- (-)
9	Reimbursement for services & expenses	11.11 (7.08)	- (-)	- (-)
10	Financing-Equity	26.04 (1.79)	- (-)	- (-)
11	Lease Rents	0.55 (-)	- (-)	- (-)
12	Outstanding balances as on 31.03.13:			
	(a) Debit	5.06 (1.36)	0.03 (-)	- (-)
	(b) Credit	0.03 (0.07)	50.48 (38.86)	5.83 (4.86)

Note: Figures in brackets represents corresponding amounts of previous year.

26.12 Disclosure of Loans/Advances & Investments to subsidiaries, associates & firms/companies in which Directors are interested as required by Clause 32 of the Listing Agreement.

Rs. in Crores

Sl. No.	Name	Investment as on 31.03.2013	Maximum amount outstanding during the year	Loans & Advances as on 31.03.2013	Maximum amount outstanding during the year
1	Utkal power Ltd.	0.05 (0.05)	0.05 (0.05)	1.18 (1.16)	1.18 (1.16)
2	Utkal Coal Ltd.	108.92 (82.88)	108.92 (82.88)	- (-)	- (1.32)
3	IMFA Alloys Finlease Ltd.	2.30 (2.30)	2.30 (2.30)	3.82 (0.15)	3.82 (0.15)
4	Utkal Green Energy Ltd.	0.98 (0.98)	0.98 (0.98)	0.06 (0.04)	0.06 (14.73)

Note: Figures in brackets represent corresponding amounts of previous year.

Notes

Annexed to the Accounts

26.13 Lease

Operating Lease:

The Company's significant operating leasing arrangements are in respect of premises only which are renewable at the option of both the lessor & the lessee. The aggregate lease rentals payable are charged as 'rent' and the aggregate lease rentals receivable are credited as 'rent realised' in the financial statements.

Total of future minimum lease rents payable are summarised below.

	Rs. in Crores
● Not later than one year	2.46
● Later than one year & not later than five years	2.63
● Later than five years	0.75

Total lease payments recognised in the profit & loss account during the FY 2012-13 is Rs. 2.33 Crores.

Total of future minimum lease rents receivable are summarised below.

	Rs. in Crores
● Not later than one year	0.10
● Later than one year & not later than five years	-
● Later than five years	-

Finance Lease:

Company as a Lessee:

Minimum Lease payments:

	Rs. in Crores
● Not later than one year	3.35
● Later than one year & not later than five years	13.41
● Later than five years	66.49

Present Value of Minimum Lease payments

	Rs. in Crores
● Not later than one year	3.15
● Later than one year & not later than five years	10.11
● Later than five years	19.48

26.14 Earnings Per Share

	Year 2012-2013	Year 2011-2012
a) Number of equity shares of Rs. 10/- each	2,59,77,053	2,59,77,053
b) Profit after taxation (Rs. in Crores)	53.89	63.93
c) Basic and diluted earnings per share (Rs.)	20.74	24.61

Notes

Annexed to the Accounts

26.15 Deferred Tax Calculation

The Break up of deferred tax asset/(liability) is as under:

	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
a) Deferred tax liabilities:		
Difference between book and tax depreciation	64.02	30.26
Total	64.02	30.26
b) Deferred tax assets:		
Electricity Duty	8.65	8.65
Unpaid gratuity and leave encashment	1.16	1.30
Total	9.81	9.95
Deferred tax asset (Liability) (net)	(54.21)	(20.31)

26.16 Contingent Liabilities & Other Commitments

	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
A. Contingent Liabilities		
(a) (i) Guarantees issued by Banks (Margin money against above Rs. 2.54 Crores) (previous year Rs. 4.41 Crores)	20.92	82.58
(ii) Guarantee given by the Company for Utkal Coal Ltd.	159.21	146.60
(b) Claims against Company not acknowledged as debts:		
Government Claims:		
(i) Income Tax (deposits made under protest Rs. 42.01 Crores) (previous year Rs. 34 Crores)	240.97	117.48
(ii) Customs & Central Excise (deposits made under protest Rs. 0.19 Crores) (previous year Rs. 0.18 Crores)	6.54	5.79
(iii) Sales tax & Entry tax (deposits made under protest Rs. 3.88 Crores) (previous year Rs. 0.15 Crores)	9.35	3.98
(iv) Electricity duty	27.06	27.06
(v) Water Cess	0.86	0.86
(vi) Railways	-	0.01
(vii) Municipality licence fee	0.41	0.39
(viii) Road tax (deposit made under protest Rs. 0.06 Crores)	0.12	0.12
(ix) Provisional duty bonds to customs authority pending final debonding of 100% EOU	Amount not quantifiable	Amount not quantifiable
(c) (i) For suits filed against the Company in earlier years but not acknowledged as debts	1.70	1.31
B. Other commitments:		
For capital contracts pending execution net off advance	42.77	103.11

26.17 Previous year's figures have been regrouped/recast wherever considered necessary.

26.18 The Company has sold its 30 MVA Furnace and other related assets to its wholly owned subsidiary IMFA Alloys Finlease Limited (IAFL) at fair value. Thereafter IAFL transferred the same assets back to the Company under a Finance Lease. The difference between the book value and the fair value including the sales tax impact amounting to Rs. 11.99 Crores has been shown as exceptional items. Subsequently in pursuance to a Joint venture & shareholders agreement between the Company and Posco, South Korea, Posco acquired 24% of Shares of IAFL and balance 76% shares remained with the Company.

Notes

Annexed to the Accounts

Note 27 Information Pursuant To Part ii Of Schedule Vi To The Companies Act, 1956

27.1 Stocks

	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
(i) Charge Chrome	86.89	132.72
(ii) Ferro Silicon	0.45	0.07
(iii) Chrome ore at Mines	17.88	12.22
(iv) Fly Ash Bricks	0.47	0.14
	105.69	145.15

27.2 Other Additional Information

	Rs. in Crores	
	Year 2012-2013	Year 2011-2012
(a) Value of Import on CIF basis:		
Raw materials	290.80	184.13
Components and spare parts	18.24	13.18
Capital goods	2.69	0.15
(b) Expenditure in Foreign currency:		
Interest	3.76	1.09
Travelling	2.36	4.06
Others	3.31	5.15
(c) Earnings in foreign exchange:		
FOB value of exports	951.21	939.70
(d) Remittance in Foreign Currency:		
On account of dividend to non-resident investors		
(i) Year to which dividend pertains	2011-12	2010-11
(ii) Number of shareholders	3	6
(iii) Number of equity shares	56,34,759	56,35,847
(iv) Net amount remitted (Rs. in Crores)	2.81	2.81

Notes

Annexed to the Accounts

27.2 Other Additional Information (Contd.)

Rs. in Crores				
(e) Value of imported/Indigenous raw materials, spare parts, components & stores consumed	Year		Year	
	2012-2013		2011-2012	
	Amount	%	Amount	%
(i) Raw materials				
Imported	274.46	41.93	254.45	36.63
Indigenous	380.09	58.07	440.16	63.37
(ii) Spare parts, components & stores				
Imported	6.04	10.11	9.88	15.41
Indigenous	53.68	89.89	48.73	84.59

Rs. in Crores		
(f) Payment to Auditors	Year	
	2012-2013	2011-2012
1 Statutory Auditors		
(a) As Auditor	0.20	0.18
(b) As advisor or in any other capacity, in respect of	-	-
(i) taxation matters	-	-
(ii) Company law matters		
(iii) management services, and		
(iv) other services	0.01	0.01
(c) Reimbursement of expenses	0.02	0.02
2 Tax Auditor	0.01	0.01
3 Cost Auditor	0.01	0.01
	0.25	0.23

Notes

Annexed to the Accounts

27.3 Statement pursuant to Section 212(1)(e) of The Companies Act, 1956

								Rs. in Crores
1. Name of the subsidiary	Indian Metals & Carbide Ltd.	Utkal Power Ltd.	Utkal Coal Ltd.	IMFA Alloys Finlease Ltd.	Utkal Green Energy Ltd.	Indmet Mining Pte Ltd.	PT Sumber Rahayu Indah	
2. Financial year of the subsidiary ended on	31st March 2013	31st March 2013	31st March 2013	31st March 2013	31st March 2013	31st March 2013	31st March 2013	
3. Holding Companies Interest:								
Number of shares held	10,49,960	50,000	1,94,50,000	23,00,000	9,80,000	1,17,22,110	Subsidiary of Indmet Mining (Pte.) Ltd.	
Percentage of shareholding	99.99	100	78.90	76	100	100	70	
4. The net aggregate amount of the subsidiary's profit/ (loss) so far as it concerns members of the Holding Company and is not dealt with in the Holding Company's Accounts								
For the financial year of the subsidiary	(0.04)	(0.01)	(0.02)	0.13	-	0.01	(0.85)	
For the previous financial years of the subsidiary since it became the Holding Company's subsidiary.	(1.08)	-	(0.20)	-	(0.96)	(2.46)	(3.04)	
5. The net aggregate amount of the subsidiary's profit/ (loss) dealt with in the Holding Company's accounts								
For the financial year of the subsidiary	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

The figures of Indmet Mining (Pte) Ltd. & PT Sambar Rahayu Indah has been converted to Indian Rupees.

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajjayant Panda
Vice Chairman

Independent Auditors' Opinion

To the Board of Directors of

Indian Metals & Ferro Alloys Limited

on the Consolidated Financial Statements of Indian Metals & Ferro Alloys Limited and its Subsidiaries

1. We have examined the attached Consolidated Balance Sheet of Indian Metals & Ferro Alloys Limited and its following subsidiaries
 - Indian Metals & Carbide Limited
 - Utkal Coal Limited
 - Utkal Power Limited
 - IMFA Alloys Finlease Limited
 - Utkal Green Energy Limited
 - Indmet Mining (Pte) Limited
 - PT. Sumber Rahayu Indah, Indonesia

as at 31st March 2013, the Consolidated statement of Profit and Loss and the Consolidated Cash Flow statement for the year then ended. These Consolidated financial statements are the responsibility of Indian Metals & Ferro Alloys Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries. These financial statements have been audited by other Auditors whose reports have been furnished to us. And our opinion, in so far as it relates to the amount included in respect of the subsidiaries, is based solely on the report of the other Auditors.
4. We report that the Consolidated financial statements have been prepared by the Company in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Indian Metals & Ferro Alloys Limited and its subsidiaries included in the Consolidated financial statement.
5. On the basis of information and explanation given to us and on the consideration of the separate audit report on individual audited financial statements of Indian Metals & Ferro Alloys Limited and its Subsidiaries other than for PT. Sumber Rahayu Indah, Indonesia which is not required to be audited as per the Indonesian law, we are of the opinion that the said financial statements give a true and fair view in conformity with accounting principles generally accepted in India ;
 - i. in the case of the Consolidated Balance Sheet, consolidated state of affairs of the Company and its Subsidiaries as at 31st March 2013
 - ii. in the case of Consolidated Statement of Profit and Loss, of the consolidated results of operations of the Company and its Subsidiaries for the year then ended ; and
 - iii. in the case of Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its Subsidiaries for the year then ended.

for Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn No. 000451N

(Sharat Prakash)

Partner
Membership No. 96267

Place: New Delhi
Date: 15th May 2013

Consolidated Balance Sheet

as at 31st March 2013

Rs. in Crores			
	Note	As at 31.03.2013	As at 31.03.2012
I. Equity and Liabilities			
1. Shareholders' Funds			
(a) Share Capital	1	25.98	25.98
(b) Reserves and Surplus	2	823.89	760.94
(c) Minority Interest		30.44	22.48
		880.31	809.40
2. Non-current Liabilities			
(a) Long Term Borrowing	3	776.36	725.36
(b) Deffered Tax Liability (Net)		54.10	20.29
(c) Other Long term liabilities	4	109.63	100.39
(d) Long-term provisions	5	3.14	3.42
		943.23	849.46
3. Current Liabilities			
(a) Short Term borrowings	6	195.64	133.23
(b) Trade payables	7	124.11	157.51
(c) Other current liabilities	8	173.50	145.68
(d) Short-term provisions	9	179.22	164.38
		672.47	600.80
TOTAL		2,496.01	2,259.66
II. Assets			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	10	1,579.33	1,011.61
Less: Depreciation		410.94	349.85
Net Tangible assets		1,168.39	661.76
(ii) Capital Work-in-Progress		341.81	680.90
(iii) Intangible assets (Goodwill)		64.77	59.79
		1,574.97	1,402.45
(b) Non-current investment	11	0.10	0.10
(c) Long-term loans and advances	12	93.26	114.71
(d) Other non-current assets	13	16.58	11.58
2. Current Assets			
(a) Current investment	14	23.97	1.54
(b) Inventories	15	319.21	329.74
(c) Trade Receivables	16	34.73	36.44
(d) Cash and Cash Equivalents	17	77.63	36.10
(e) Short-term loans and advances	18	354.65	326.33
(f) Other current assets	19	0.91	0.67
		811.10	730.82
TOTAL		2,496.01	2,259.66

Notes to consolidated financial statements 1 to 28

The Notes referred to above form an integral part of the consolidated financial statements.

This is the Balance Sheet referred to in our report of even date.

Auditors' Report to the Members

As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajjayant Panda
Vice Chairman

Consolidated Statement of Profit and Loss

for the year ended 31st March 2013

Rs. in Crores

	Note	Year 2012-2013	Year 2011-2012
I. Revenue from operations	20	1,273.25	1,192.73
II. Other Income	21	8.23	5.74
III. Total Revenue		1,281.48	1,198.47
IV. Expenses:			
Cost of materials consumed	22	641.34	675.03
Change in inventories of finished goods		39.46	(31.14)
Employees Benefit Expense	23	102.65	92.77
Finance cost	24	86.98	83.20
Depreciation and amortisation expense	10	81.69	55.96
Other expenses	25	217.50	228.48
Total expenses		1,169.62	1,104.30
V. Profit before Prior Period/Exceptional items & Tax		111.86	94.17
VI. Prior period expenses/(Income)		(2.45)	0.18
VII. Exceptional items – expense		11.99	0.00
VIII. Profit Before Tax		102.32	93.99
IX. Tax Expense:			
Current Tax/ MAT		22.06	28.37
Deferred Tax		33.79	6.57
Earlier years Adjustments		(6.35)	(2.58)
X. Profit After Taxation		52.82	61.63
Balance Brought Forward		355.69	315.56
Profit Available For Appropriation		408.51	377.19
Earnings Per Share			
Basic and Diluted Earnings Per Share (in Rs.)		20.33	23.72

Notes to consolidated financial statements 1 to 28

The Notes referred to above form an integral part of the consolidated financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Baijayant Panda
Vice Chairman

Consolidated Cash Flow Statement

for the year ended 31st March 2013

	Rs. in Crores	
	Year 2012-2013	Year 2011-2012
A. Cash Flow From Operating Activities		
Net profit before tax	102.32	93.99
Adjustment for:		
Depreciation	81.69	55.96
Loss on sale of assets	7.57	0.00
Profit on sale of assets	(0.84)	(0.43)
Unrealised foreign exchange loss	1.59	2.83
Prior Period Income	(2.28)	(0.02)
Interest income	(5.06)	(1.83)
Interest and financial expenses	37.12	30.07
Dividend Income	(0.03)	0.00
Prior period expense/pre-operative exp	0.44	0.00
Operating profit before working capital changes	222.52	180.57
Adjustment for:		
Trade and other receivables	(39.94)	(42.35)
Inventories	10.53	1.47
Trade & other payables	33.93	21.41
Cash generated from operations	227.04	161.10
Direct taxes paid	(44.85)	(52.98)
NET CASH GENERATED FROM OPERATING ACTIVITIES	182.19	108.12
B. Cash Flow From Investing Activities		
Purchase of fixed assets	(237.97)	(384.82)
Fixed Deposit	(5.00)	0.00
Sale of fixed assets	42.76	0.82
Sale/(purchase) of investment	(48.49)	(53.69)
Interest received/Dividend Income	5.15	1.96
NET CASH USED IN INVESTING ACTIVITIES	(243.55)	(435.73)
C. Cash Flow From Financing Activities		
Interest and financial charges paid	(67.77)	(48.89)
Repayment of loans	(121.97)	(95.43)
Share Capital & Reserve Surplus	53.34	98.12
Cash credit (net)	63.61	43.98
Proceeds from long term borrowings	189.81	295.43
Unsecured Loan	0.00	40.91
Dividend paid (including dividend tax)	(15.10)	(15.10)
NET CASH GENERATED FROM FINANCING ACTIVITIES	101.92	319.02
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	40.56	(8.59)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	36.10	43.23
Effect of exchange rate on translation of foreign currency	0.97	1.46
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	77.63	36.10
CASH & CASH EQUIVALENTS – CB as per Consolidated Balance Sheet	77.63	36.10

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajjayant Panda
Vice Chairman

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 1 Share Capital		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 3,00,00,000 Equity Shares of Rs. 10/- each)	30.00	30.00
40,000 Redeemable 9.5% Cumulative (Previous Year 40,000 Preference Shares of Rs. 100/- each)	0.40	0.40
2,60,000 2nd Series Redeemable Cumulative (Previous Year 2,60,000 Preference Shares of Rs. 100/- each)	2.60	2.60
	33.00	33.00
Issued, Subscribed and Paid-up		
2,59,77,053 Equity Shares of Rs. 10 /- each fully paid (Previous Year Shares 2,59,77,053 of Rs. 10/- each)	25.98	25.98
	25.98	25.98

a Share Holding:

Disclosure pursuant to Note no.6(A)(d) of Part I of Schedule VI of Company Act,1956

Particulars	Equity Shares		Preference Shares	
	No. of share	Rs. in Crores	No. of share	Rs. in Crores
i Shares outstanding at the beginning of the year	2,59,77,053	25.98	Nil	
ii Shares issued during the year	Nil			
iii. Shares cancelled during the year	Nil			
iv Shares outstanding at the end of the year	2,59,77,053	25.98	Nil	

b Share Holding more than 5%:

Disclosure pursuant to Note no.6(A)(g) of Part I of Schedule VI of Company Act,1956(If more than 5%)

	As at 31.03. 2013		As at 31.03.2012	
	No. of shares	%	No. of shares	%
i Barabati Investment & Trading Co Pvt. Ltd.	26,34,778	10.14	26,34,778	10.14
ii KB Investment Pvt. Ltd.	25,16,401	9.68	25,16,401	9.68
iii Madhuban Investment Pvt. Ltd.	23,95,696	9.22	23,95,696	9.22
iv Paramita Investment & Trading Co Pvt. Ltd.	26,34,778	10.14	26,34,778	10.14
v LITEC Company Ltd.	38,44,259	14.79	38,44,259	14.79

c Shares allotted other than cash:

Disclosure pursuant to Note no.6(A)(i) of Part I of Schedule VI of Company Act, 1956:

25,11,754 shares were allotted to the Shareholders of Utkal Manufacturing & Services Ltd. upon acquisition of its assets by the Company in the year 2009-10 pursuant to the Scheme of Demerger of its Ferro Alloys Division.

Notes

Annexed to the Accounts

		Rs. in Crores	
Particulars		As at 31.03.2013	As at 31.03.2012
Note 2 Reserves and Surplus			
1. Capital Reserve			
Backward Area Development Subsidy	0.15		0.15
Housing Subsidy	0.01		0.01
Other Capital Reserves	0.89		0.75
		1.05	0.91
2. Capital Redemption Reserve		1.22	0.20
3. Securities Premium Reserve		151.58	131.45
4. Foreign Currency Translation Reserve		10.34	6.26
5. Other Reserve			
General Reserve (Opening Balance)	266.43		263.83
Adjustments during the year	0.00		-3.80
Add: Transferred from Profit and Loss Account	5.39		6.40
		271.82	266.43
6. Surplus as per Profit and Loss Account	408.51		377.19
Less: Appropriations			
Proposed Dividend @ 50%	(12.99)		(12.99)
Tax on Dividend	(2.21)		(2.11)
General Reserve	(5.43)		(6.40)
Balance Carried Forward		387.88	355.69
		823.89	760.94

		Rs. in Crores	
Particulars		As at 31.03.2013	As at 31.03.2012
Note 3 Long Term Borrowings			
Term Loans from Banks, FIs & Others (secured)			
1. IDBI		0.00	56.09
2. PFC, PFS & IDBI		404.53	357.69
3. IDBI		50.22	59.38
4. IDBI		22.52	0.00
5. State Bank of India		52.20	60.90
6. State Bank of India		0.00	18.70
7. ECB from Standard Chartered Bank		14.10	19.13
8. ECB from Standard Chartered Bank		79.20	0.00
9. SREI Equipment Finance Pvt. Ltd.		0.00	7.61
10. SREI Equipment Finance Pvt. Ltd.		11.45	0.00
11. SREI Infra-Structure Finance Ltd.		67.57	72.86
12. ICICI Bank		74.57	73.00
		776.36	725.36

Notes

Annexed to the Accounts

Notes

- From IDBI secured by pari passu first charge on present and future fixed assets of the Company (excluding property situated at 44, Chowringhee Road, Kolkata, Aircrafts, Vehicles, Office Equipments of Therubali Division & project assets related to 27 MVA Plant, 30 MVA plant, 30 MW & 120 MW Power Plant, Coal Handling Plant etc).
EMI of Rs. 4.67 Crores till March 2014
- From PFC, PFS & IDBI secured by first charge ranking pari passu on the Company's movable & immovable properties, present & future relating to the 120 MW Power Plant in addition to the personal Guarantee of two directors.
PFC: 48 EQI of Rs. 6.20 Crores from April 2014
PFS: 48 EQI of Rs. 2.50 Crores from January 2013
IDBI: 48 EQI of Rs. 0.60 Crores from November 2012
- From IDBI secured by exclusive charge on Coal Handling Plant (CHP) assets & personal guarantee of two Directors.
28 EQI of Rs. 2.29 Crores from October 2012
- From IDBI secured by charge on pari-passu basis on the immovable & movable assets of the Company's Therubali & Choudwar units (excluding the fixed Assets exclusively charged), both present & future.
24 EMI from October 2013
- From State Bank of India secured by exclusive charge on 30 MW captive power plant (CPP) assets, pari passu first charge on the plot no. 43 on which CPP has been erected and second charge on current assets in addition to the personal guarantees of two Directors.
EQI of Rs. 2.175 Crores from July 2010 to June 2014
EQI of Rs. 2.610 Crores from July 2014 to June 2019
- From State Bank of India secured by exclusive charge on 30MVA assets in addition to the personal guarantees of two Directors.
EQI of Rs. 2.33 Crores from December 2010 to March 2015. The amount has been settled in full during the year
- ECB from Standard Chartered Bank secured by 27 MVA furnace at Choudwar.
17 EQI US\$ 411,764.71 from October 2011 to October 2015
- ECB from Standard Chartered Bank secured by GCP & BQT plant at Therubali & LDA, FAB-1, FAB-2 at Choudwar.
EQI of US\$ 937,500 from January 2014 to October 2017
- From SREI Equipment Finance Pvt. Ltd. secured by exclusive charge on the CJ 2 Cessna Aircraft.
EMI from May 2011 to February 2014
- From SREI Equipment Finance Pvt. Ltd. secured by exclusive charge on Winder project at Mines.
EMI from February 2013 to November 2016
- SREI Infrastructure Finance Ltd.
For Utkal Coal Ltd., repayable in 34 EQI from June 2012 Secured by first charge on all the fixed assets of the Company on pari-passu basis, exclusive pledge on 70% of the paid-up Share Capital of the Company and corporate guarantee of IMFA.
- ICICI Bank
For Utkal Coal Ltd, repayable in 22 EQI from October 2013. Secured by first charge on all the fixed assets of the Company on pari-passu basis, exclusive pledge on 30% of the paid-up Share Capital of the Company and corporate guarantee of IMFA.

Rs. in Crores

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
Note 4 Other Long Term Liabilities		
Unsecured		
Trade Payable	98.52	89.19
Security Deposit	11.11	11.20
	109.63	100.39

Notes

Annexed to the Accounts

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
Note 5 Long Term Provisions		
Provision for Employee Benefits	3.14	3.42
	3.14	3.42

Particulars	Rs. in Crores	
	As at 31.03.2013	As at 31.03.2012
Note 6 Short Term Borrowings		
1. Loans Payable on Demand		
a) Working Capital Loan		
Bank		
SBI	56.82	1.32
SCB	75.57	61.00
IDBI	10.71	13.96
ICICI	0.00	13.98
DBS	51.32	0.00
	194.42	90.26
b) Unsecured loan from DBS Bank	0.00	40.54
2. Advance from Customers	0.56	1.69
3. Earnest Money and Security Deposits	0.66	0.74
	195.64	133.23

Notes

- a) From State Bank of India and Standard Chartered Bank, secured by hypothecation of entire stock & book debt of the Company & fixed assets of Therubali Division excluding property situated at 44, Chowringhee Road, Kolkata aircrafts, vehicles, office equipments of Therubali Division) on pari passu basis in addition to the personal guarantee of two Directors and from IDBI Bank Ltd., ICICI Bank Ltd. and DBS Bank, secured by hypothecation of entire stocks and book debts of the Company.
- b) The loan from DBS Bank which was previously unsecured is secured loan during the year.

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 7 Trade Payables		
Trade Payable	124.11	157.51
	124.11	157.51

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 8 Other Current Liabilities		
Current Maturity of Long Term Debt	128.83	111.04
Current Maturity of Lease Obligation	0.38	0.00
Unpaid Dividend @	0.65	0.57
Due to Directors	6.04	5.09
Interest Accrued but not Due	9.03	2.18
Project Payables	21.18	20.44
Other Liabilities	7.39	6.36
	173.50	145.68

@ There is no amount due and outstanding to be credited to Investor Education and Protection Fund

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 9 Short Term Provisions		
Taxation	156.44	141.72
Proposed Dividend	12.99	12.99
Tax on Dividend	2.21	2.11
Employees Benefit	7.58	7.56
	179.22	164.38

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Gross Block				Depreciation			Net Block		
	As at 01.04.2012	Additions	Sales/ Transfer	As at 31.03.2013	As at 01.04.2012	For the year	Deductions	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Note 10 Tangible Assets										
A. Owned Assets										
Freehold Land	51.94	2.65	0.00	54.59	0.00	0.00	0.00	0.00	54.59	51.94
Buildings	212.99	151.67	0.05	364.61	71.12	16.69	0.03	87.78	276.83	141.87
Railway Siding & Runways	5.88	14.01	0.00	19.89	3.20	1.24	0.00	4.44	15.45	2.68
Office Equipments	8.67	0.54	0.08	9.13	4.91	0.59	0.06	5.44	3.69	3.76
System Machineries	6.53	1.71	0.00	8.24	3.81	1.38	0.00	5.19	3.05	2.72
Plant & Machinery	530.81	388.98	59.23	860.56	251.01	55.94	18.27	288.68	571.88	279.80
Furniture & Fixtures	4.50	0.77	0.00	5.27	3.23	0.33	0.00	3.56	1.71	1.27
Vehicles	16.32	5.50	3.40	18.42	7.89	3.20	2.41	8.68	9.74	8.43
Aircrafts	8.38	23.29	0.00	31.67	4.68	1.68	0.00	6.36	25.31	3.70
	846.02	589.12	62.76	1,372.38	349.85	81.05	20.77	410.13	962.25	496.17
B. Leased Assets										
Plant & Machinery	0.00	33.28	0.00	33.28	0.00	0.81	0.00	0.81	32.47	0.00
Leasehold Land	165.59	8.08	0.00	173.67	0.00	0.00	0.00	0.00	173.67	165.59
	165.59	41.36	0.00	206.95	0.00	0.81	0.00	0.81	206.14	165.59
TOTAL (A + B)	1,011.61	630.48	62.76	1,579.33	349.85	81.86	20.77	410.94	1,168.39	661.76
Transferred to CWIP*						0.17				
	1,011.61	630.48	62.76	1,579.33	349.85	81.69	20.77	410.94	1,168.39	661.76
Previous Year's Figures	833.18	181.19	2.76	1,011.61	296.88	55.96	3.07	349.85	661.76	536.30

*Capital work-in-progress

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 11 Non-Current Investments		
Long Term Investments:		
(At Cost)		
Investments in Shares (Unquoted)	0.10	0.10
	0.10	0.10

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 12 Long Term Loans & Advances		
(Unsecured Considered good)		
Capital Advance	15.35	44.40
Security and Other Deposits	8.59	5.48
Deposit with Excise and Customs	0.00	6.17
Deposit for electricity in No Lien & Escrow A/c	69.32	58.66
	93.26	114.71

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 13 Other Non-Current Assets		
(Unsecured considered good)		
Long Term Trade Receivables	11.58	11.58
Fixed Deposit	5.00	0.00
(with original maturity period of more than twelve months)		
	16.58	11.58

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 14 Current Investment		
Birla Sunlife Mutual Fund	23.97	1.54
(Cost or market value which ever is less)		
[Market value: Rs. 23.97 Crores (Previous Year Rs. 1.54 Crores)]		
	23.97	1.54

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 15 Inventories		
Inventories (verified, valued and certified by the management)		
(a) Raw Materials	172.81	156.97
(b) Stores and Spares	40.55	27.50
(c) Loose Tools	0.12	0.12
(d) Finished Stock	105.73	145.15
	319.21	329.74

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 16 Trade Receivables		
Trade Receivables (unsecured and considered good by the management)		
(a) Over Six Months		
Considered good	4.94	2.13
Considered doubtful	0.38	0.38
Less: Provision for doubtful	(0.38)	(0.38)
	4.94	2.13
(b) Others - Considered good	29.79	34.31
	34.73	36.44

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 17 Cash and Cash Equivalents		
(a) Balances with Banks		
In Current Accounts	46.03	18.44
In Margin Deposits	3.63	7.65
In Fixed Deposits	27.40	6.20
	77.06	32.29
(b) Cash in hand	0.57	3.81
	77.63	36.10

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 18 Short Term Loan & Advances		
Loans and Advances (unsecured and considered good by the management)		
1. Advances recoverable in cash or in kind or for value to be received		
Considered good	79.30	96.93
2. Advance Income Tax paid (including TDS)	210.65	173.14
3. Deposit with Excise and Customs	64.70	56.26
	354.65	326.33

Rs. in Crores

Particulars	As at 31.03.2013	As at 31.03.2012
Note 19 Other Current Assets		
Employee Advance	0.52	0.67
Other Receivable	0.39	0.00
	0.91	0.67

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 20 Revenue From Operation		
Sale of products & other operating revenues	1,236.14	1,165.12
Less: Excise Duty	28.48	19.57
	1,207.66	1,145.55
Export Incentives	64.04	38.23
Sale of RM/Scrap	1.55	8.95
	1,273.25	1,192.73

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 21 Other Income		
Interest Income	5.39	1.92
Rent Realised	0.10	0.08
Profit on Sale of Assets	0.84	0.50
Claims Received	0.30	0.46
Miscellaneous Income	1.60	2.78
	8.23	5.74

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 22 Cost of Material Consumed		
Consumption of Raw Materials	641.34	675.03
	641.34	675.03

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 23 Employees Benefit Expenses		
Payment to Employees:		
Salaries, Wages, Bonus, Allowances, Retirement Benefits etc.	89.73	83.12
Contribution to Employees' Provident Fund and Other Funds	9.43	6.63
Workmen and Staff Welfare Expenses	3.49	3.02
	102.65	92.77

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 24 Finance Cost		
a) Interest Expenses		
Interest on Long Term Loans	37.12	30.07
Interest on Working Capital	17.87	7.08
b) Other Finance charges	6.05	6.05
c) Other Borrowing Cost	1.65	3.98
d) Loss on Foreign Currency Transaction & Translation	24.29	36.02
	86.98	83.20

Rs. in Crores

Particulars	Year 2012-2013	Year 2011-2012
Note 25 Other Expenses		
(a) Manufacturing		
Consumption of Stores, Spares and Tools	22.52	23.22
Consumption of Electricity	1.56	10.42
Electricity Duty	15.20	15.83
Energy Transmission Charges	3.74	4.44
Repairs and Maintenance		
Plant and Machinery	24.84	24.58
Buildings	3.37	3.66
Other Assets	5.91	4.99
	34.12	33.23
Finished Stock and Slag Handling Expenses	12.24	14.33
Other Factory Expenses	20.54	18.76
Excise Duty on Closing Stock of Finished Goods	(5.70)	6.22
	104.22	126.45
(b) Administrative		
Insurance	2.28	2.12
Rent	2.33	1.75
Rates and Taxes	1.30	6.20
Travelling and Conveyance	6.86	6.92
Legal and Consultancy Expenses	15.88	6.10
Auditors' Remuneration and Expenses	0.28	0.22
Commission & Sitting Fee	0.39	0.34
Adjustment in carrying amount of Investment	0.00	1.18
Miscellaneous Expenses	17.66	14.51
	46.98	39.34

Notes

Annexed to the Accounts

Rs. in Crores

Particulars	Year	Year
	2012-2013	2011-2012
Note 25 Other Expenses		
(c) Selling		
Carriage Outward and Handling Expenses	40.86	38.63
Export Promotion Expenses	1.57	2.59
Other Selling Expenses	23.87	21.47
	66.30	62.69
	217.50	228.48

Note 26 Basis of consolidation

(a) Basis of preparation

The consolidated financial statements are prepared in accordance with Accounting Standard -21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

(b) Principles of consolidation

The Consolidated Financial Statements comprise the Financial Statements of Indian Metals & Ferro

Alloys Limited ('the Company') and its subsidiaries, Indian Metals & Carbide Limited, Utkal Power Limited, Utkal Coal Ltd., IMFA Alloys Finlease Ltd., Utkal Green Energy Ltd., Indmet Mining (Pte) Ltd., PT. Sumber Rahayu Indah, ('the Subsidiaries')

The Financial Statements of the Companies are prepared according to uniform accounting policies.

The effects of inter Company transactions between consolidated Companies are eliminated on consolidation.

(c) Proportion of holding

Sl. No.	Name of the Subsidiary	Proportion of ownership & Voting Power	Country of Incorporation
1	Indian Metals & Carbide Ltd.	99.99%	India
2	Utkal Power Ltd.	100%	India
3	Utkal Coal Ltd.	78.90%	India
4	IMFA Alloys Finlease Ltd.	76%	India
5	Utkal Green Energy Ltd.	100%	India
6	Indmet Mining (Pte) Ltd.	100%	Singapore
7	PT. Sumber Rahayu Indah, (70 % Subsidiary of Indmet Mining (Pte) Ltd.)	-	Indonesia

Note 27

(a) Other Significant Accounting Policies:

These are set out under the head 'Significant Accounting Policies' of the Company & the subsidiaries.

(b) Previous years figures have been re-grouped/ recast wherever considered necessary.

(c) All the formalities regarding voluntary winding up of Indmet Mauritius limited has been completed

under the Law of Mauritius including no objection from all the regulatory authorities and the swearing in of the affidavit by the official liquidator for the same at Supreme Court was made on 30th January 2013. Hence we have not considered it as subsidiary for the consolidated accounts as on 31st March 2013. Consequently all the shares of Indmet Mining (Pte) Ltd. held by Indmet Mauritius Ltd. has been transferred to the Company at par value during the year. Accordingly Indmet Mining (Pte) Ltd. (earlier 100% step down subsidiary) has become wholly owned subsidiary of the Company.

Notes

Annexed to the Accounts

Note 28

Statement regarding subsidiary companies pursuant to Sec 212(8) of the Companies Act, 1956 as at 31st March 2013

Name of the subsidiary	Rs. in Crores						
	Indian Metals & Carbide Ltd.	Utkal Power Ltd.	Utkal Coal Ltd.	IMFA Alloys Finlease Ltd.	Utkal Green Energy Ltd.	Indmet Mining Pte Ltd.	PT Sumber Rahayu Indah
Capital	1.05	0.05	24.65	3.03	0.98	64.33	3.05
Reserves	(0.78)	(0.01)	89.19	26.78	(0.96)	(2.44)	(5.55)
Total Assets	0.28	1.23	274.04	33.56	0.08	61.92	0.09
Total Liabilities	0.28	1.23	274.04	33.56	0.08	61.92	0.09
Investment	0.10	-	0.83	-	-	48.02	-
Turn Over	0.00	-	-	0.49	0.00	0.19	-
Profit before Tax	(0.04)	(0.01)	(0.03)	0.32	0.00	0.01	(1.21)
Provision for Taxation	-	-	-	0.11	-	-	-
Profit after Taxation	(0.04)	(0.01)	(0.03)	0.21	0.00	0.01	(1.21)
Proposed Dividend	-	-	-	-	-	-	-
Transferred to reserve	-	-	-	0.04	-	-	-

The figures of Indmet Mining (Pte) Ltd. & PT. Sumber Rahayu Indah have been converted from USD to INR @ INR 54.88/USD.

Auditors' Report to the Members
As per our report of even date attached.

For **Raghu Nath Rai & Co.**
Chartered Accountants
Firm Regn No 000451N

For and on behalf of the Board

(**Sharat Prakash**)
Partner
Membership No. 096267
Place: New Delhi
Date: 15th May 2013

Prem Khandelwal
CFO & Company Secretary

Subhrakant Panda
Managing Director

Bajyant Panda
Vice Chairman

Notice

Notice is hereby given that the 51st Annual General Meeting (AGM) of the members of INDIAN METALS & FERRO ALLOYS LIMITED will be held at the Registered Office of the Company at Bomikhal, PO: Rasulgarh, Bhubaneswar – 751010, Odisha on Saturday, 27th July 2013 at 12.00 Noon to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To declare Dividend for the FY 2012-13.
3. To appoint a Director in place of Mr N R Mohanty who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mrs Paramita Mahapatra who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint a Director in place of Major R N Misra (Retd) who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 224, 226 and other applicable provisions, if any, of the Companies Act, 1956, M/s Haribhakti & Co., Chartered Accountants (Firm Registration No. 103523W), be and are hereby appointed as the Statutory Auditors of the Company in place of M/s Raghu Nath Rai & Co., Chartered Accountants (Firm Registration No. 00045IN), to hold the office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board of Directors.”

Special Business:

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that Mr C R Ray, who was appointed as an Additional Director by the Board of Directors with effect from 31st January 2013 and who holds office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE SUPPORTED BY PROXY FORM (SENT HERewith) WHICH SHOULD BE LODGED WITH THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of business mentioned under item 6 & 7 is annexed hereto.
3. Disclosure pursuant to clause 49 of the listing agreement with respect to the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting is given in the Annexure.
4. The register of members of the Company shall remain closed from 20th July 2013 to 27th July 2013 both days inclusive.
5. Dividend, if declared, will be paid to those members whose names shall appear on the Register of Members as on 19th July 2013 in respect of those shareholders holding the shares in physical form. In respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose as on that date.
6. Members are requested to furnish their Bank Account details, change of address etc. to the Company in respect of shares held in physical form. If the shares are held in electronic form, then the said particulars should be furnished to their respective Depository Participants (DPs).
7. (a) Members holding the shares in electronic mode may please note that their dividend would be paid through Electronic Clearing Services (ECS) wherever available. The dividend would be credited to their bank account as per the mandate given by the members to their DPs. In the absence of availability of ECS facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.
- (b) Members are requested to send their Bank Account particulars (viz. Account No., Name &

Branch of the Bank and MICR Code) to their DPs in case the shares are held in electronic mode or to Company in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment.

8. Members who desire to have any information/clarification as regards the audited annual accounts for the year ended 31st March 2013 are requested to write to the Company Secretary at least 7 days before the date of meeting.
9. Members are requested to bring their copy of the Annual Report along with attendance slip (sent herewith).
10. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Act, all unclaimed/unpaid dividend remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim. Members who have not yet encashed their dividend warrants for the FY 2006-07 onwards, are requested to correspond with the Company to make their claims.
11. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during working hours on any working day till the date of this Annual General Meeting.
12. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering/updating their email addresses for receiving electronic communications.
13. The Board recommends Resolutions 1 to 7 above for the approval of the Members.

By Order of the Board of Directors
For **Indian Metals & Ferro Alloys Limited**

Place: New Delhi **Prem Khandelwal**
Date : 15th May 2013 CFO & Company Secretary

Annexure to Notice

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item No. 6

M/s Raghu Nath Rai & Co, Chartered Accountants, the existing Auditors, have given their no objection to change of Auditors by way of rotation which is in consonance with good Corporate Governance and, as such, will retire at the ensuing Annual General Meeting. In view of the same, the Board at its meeting held on 15th May 2013 proposed the appointment of M/s Haribhakti & Co, Chartered Accountants, having Firm Registration No. 103523W, as the Statutory Auditors of the Company to hold the office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Company has received confirmation from M/s Haribhakti & Co, Chartered Accountants to the effect that appointment if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly, appointment of M/s Haribhakti & Co, Chartered Accountants is being proposed and recommended as an Ordinary Resolution.

None of the Directors of the Company is in any way concerned or interested in the resolution.

Item No. 7

Mr C R Ray was appointed as an Additional Director with effect from 31st January 2013 by the Board of Directors in their meeting held on 16th October 2012. Pursuant to Section 260 of the Companies Act, 1956, Mr C R Ray holds office of Director upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member along with the requisite deposit proposing the candidature of Mr C R Ray for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Details regarding Mr C R Ray and his brief resume are given in the Annexure attached to the Notice. Keeping in view the experience and expertise of Mr C R Ray, his appointment as Director is recommended.

None of the Directors, except Mr C R Ray, are concerned or interested in the resolution under Item 7.

By Order of the Board of Directors
For **Indian Metals & Ferro Alloys Limited**

Place: New Delhi **Prem Khandelwal**
Date : 15th May 2013 CFO & Company Secretary

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

1. Mr N R Mohanty, Padma Shri	
Father's Name	Late Gaurang Charan Mohanty
Date of Birth	8th November 1944
Nationality	Indian
Date of Appointment	7th January 2005
Qualifications	Mechanical Engineering from REC (now called NIT), Rourkela.
Expertise in specific functional areas	Vast and rich experience in the field of defence, ferro alloys, mining and corporate management (former Chairman of HAL).
Directorships held in other Companies	Nil
Member of Committees of the Board	Nil
Member of Committees in other Companies	Nil
Shares held in the Company	Nil
Relationships between Directors inter-se	None
2. Mrs Paramita Mahapatra	
Father's Name	Dr B Panda
Date of Birth	19th January 1965
Nationality	Indian
Date of Appointment	27th May 1985
Qualifications	Post Graduate Degree in Personal Management & Labour Welfare from Utkal University. A gold Medalist having secured the first position in Post Graduation.
Expertise in specific functional areas	Vast and rich experience in the field of human resources, ferro alloys and corporate management.
Directorships held in other Companies	1) Utkal Manufacturing & Services Ltd. Managing Director
	2) Goal Oriented Advisory & Legal Services Pvt. Ltd.
	3) B Panda & Co Pvt. Ltd.
	4) Orissa Coal & Services Pvt. Ltd.
	5) Paramita Investment & Trading Co. Pvt. Ltd.
	6) Barabati Investment & Trading Co. Pvt. Ltd.
	7) K B Investments Pvt. Ltd.
	8) Madhuban Investments Pvt. Ltd.
	9) Paramita Realtors Pvt. Ltd.
	10) Odisha Television Ltd.
	11) Utkal Housing and Infrastructure Development Ltd.
	12) Utkal Green Energy Ltd.
	13) Barunei Farm & Nature Resorts Pvt. Ltd.
	14) Star One Projects Pvt. Ltd.
	15) Commercial City Center Pvt. Ltd.
	16) IMFA Alloys Finlease Ltd.
	17) Utkal Real Estate Pvt. Ltd.
	18) B P Developers Pvt. Ltd.
	19) Barabati Realtors Pvt. Ltd.
	20) Kalinga Hospital Ltd.
	21) Spark Minerals & Services LLP

Details of Directors seeking appointment/re-appointment at the Annual General Meeting (Contd.)

Member of Committees of the Board	Audit Committee, Shareholder/Investor Grievance Committee, Finance Committee
Member of Committees in other Companies	NIL
Shares held in the Company	218015
Relationships between Directors inter-se	Daughter of Dr B Panda and sister of Mr Baijayant Panda and Mr Subhrakant Panda
3. Major R N Misra (Retd)	
Father's Name	Late Lingaraj Misra
Date of Birth	14th March 1938
Nationality	Indian
Date of Appointment	30th September 1993
Qualifications	Degree in Engineering (First Class) from the College of Military Engineering, Pune and obtained MBA degree from University of Pune with First Class with distinction. He is a fellow member of the Institution of Engineers India. He is also a certified Chartered Engineer.
Expertise in specific functional areas	Vast and rich experience in the field of ferro alloys, mining, power and corporate management.
Directorships held in other Companies	Ortel Communications Ltd.
Member of Committees of the Board	Audit Committee and Remuneration Committee
Member of Committees in other Companies	Nil
Shares held in the Company	Nil
Relationships between Directors inter-se	None
4. Mr C R Ray	
Father's Name	Late Hem Chandra Ray
Date of Birth	19th December 1944
Nationality	Indian
Date of Appointment	31st January 2013
Qualifications	B.Sc., AMIE (1)
Expertise in specific functional areas	Vast and rich experience in the field of ferro alloys, mining, power and corporate management.
Directorships held in other Companies	1. Utkal Power Ltd. 2. Utkal Manufacturing & Services Ltd. (UMSL) 3. Indian Metals & Carbides Ltd. 4. Utkal Real Estate Pvt. Ltd. 5. B P Solar Pvt. Ltd. 6. Utkal Green Energy Ltd. 7. Pt Sumber Rahayu Indah (SRI)
Member of Committees of the Board	NIL
Member of Committees in other Companies	Remuneration Committee (UMSL)
Shareholding of Non-Executive Directors	Not Applicable
Relationships between Directors inter-se	None



INDIAN METALS & FERRO ALLOYS LIMITED

Regd & Head Office: Bomikhal, P.O.: Rasulgarh, Bhubaneswar – 751010

PROXY FORM

Ledger Folio No. Client ID No.*
No. of Shares held DP ID No.*

I/We..... of being a Member/Member(s) of the above named Company, hereby, appoint of or failing him/her of..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 51st Annual General Meeting of the Company, to be held on Saturday, the 27th July 2013 at 12.00 noon and at any adjournment thereof.

Signed this..... day of 2013.

Affix Rs. 1/-
Revenue
Stamp

Signature

N.B.: This proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

* Applicable to investor holding shares in demat form.



INDIAN METALS & FERRO ALLOYS LIMITED

Regd & Head Office: Bomikhal, P.O.: Rasulgarh, Bhubaneswar – 751010

ATTENDANCE SLIP

I hereby record my presence at the 51st ANNUAL GENERAL MEETING of the Company at its Registered Office at Bhubaneswar on the 27th day of July 2013.

1. Full name of Member/Proxy/Authorised Representative:
(in block letters)
2. Folio No. Client ID No./DP ID No.* 3. No. of shares held:
4. Signature of the attending Member/Proxy/Authorised Representative.....

To be used only when shareholder first named is not attending

Please give full name of the first joint holder

Mr/Mrs

Note: Please fill in this attendance slip and hand it over at the entrance of meeting venue.

* Applicable to investor holding shares in demat form.

Corporate Information

Board of Directors

Executive Chairman

Dr B Panda

Vice Chairman

Mr Bajjayant Panda

Managing Director

Mr Subhrakant Panda

Director (Corporate)

Mr J K Misra

Whole-time Director

Mr C R Ray

Directors

Mrs Paramita Mahapatra

Mr D Bandyopadhyay

Major R N Misra (Retd.)

Mr H Biswas (Nominee Director of IDBI)

Dr S Acharya

Mr N R Mohanty, Padma Shri

Mr Alexius Markus Amrein

Mr S P Mathur

General Shankar Roychowdhury (Retd.)

CFO & Company Secretary

Mr Prem Khandelwal

Auditors

M/s Raghu Nath Rai & Co.

Chartered Accountants

New Delhi

Bankers/Term Lenders

IDBI Bank Ltd.

Power Finance Corporation Ltd.

PTC India Financial Services Ltd.

State Bank of India

Standard Chartered Bank

ICICI Bank Ltd.

DBS Bank Ltd.

Registered Office

Bomikhal, P.O. Rasulgarh

Bhubaneswar - 751010, Odisha

Plants

Therubali, Dist: Rayagada, Odisha

Choudwar, Dist: Cuttack, Odisha

Mines

Sukinda, Dist: Jajpur, Odisha

Mahagiri, Dist: Jajpur, Odisha

Chingudipal, Dist: Jajpur, Odisha

Nuasahi, Dist: Keonjhar, Odisha

Bangur, Dist: Keonjhar, Odisha

Registration & Share Transfer Work

Members are requested to correspond

directly with Company Secretary at the

Registered Office of the Company

e-mail: investor-relation@imfa.in

BOOK POST

Printed matter



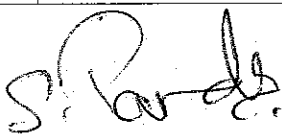
If undelivered please return to:

Indian Metals & Ferro Alloys Limited

IMFA Building, Rasulgarh, Bhubaneswar-751 010, Odisha, India

FORM B

1	Name of the Company	Indian Metals & Ferro Alloys Limited
2	Annual financial statement for the year ended	31 st March, 2013
3	Type of Audit qualification	Qualified 1 Disputes with Gridco were settled in favour of the Company vide a unanimous award of the Arbitration Panel dated 23 rd March 2008. Subsequently, Gridco filed a petition before the Hon'ble District Judge, Bhubaneswar and obtained an interim stay on the operation of the said award. The Company has filed its objection in the matter. 2 An amount of Rs. 11.39 crores withheld by sundry debtors, the effect of which on the current year's accounts cannot be ascertained pending settlement thereof
4	Frequency of qualification	Appearing since FY 2005-06
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Directors Report	Please refer to page No 56 & 57 of Annual Report (Note No. 26.1 to 26.3), which is self explanatory
6	Additional comments from the Board/Audit Committee chair	Matter is Subjudice



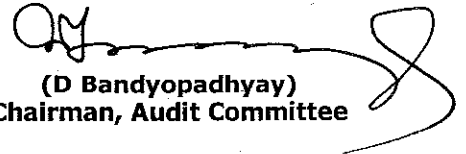
(Subhrakant Panda)
Managing Director



(Prem Khandelwal)
CFO & Company
Secretary



(Sharat Prakash)
Statutory Auditor



(D Bandyopadhyay)
Chairman, Audit Committee