



DEL/SEC/120

September 14th, 2017

The Secretary
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400 001.

The General Manager
Department of Corporate Services
The Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring
Rotunda Building, P.J. Towers
Dalal Street, Fort
MUMBAI-400 001.

Dear Sirs,

SCRIP CODE: 500141

Sub: Un-audited Financial Results for the Quarter ended 30th June, 2017 under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

Pursuant to the applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 that the Resolution Professional ("RP") on September 14th, 2017 has considered and taken on record the un-audited financial results and limited review report for the quarter ended 30th June, 2017.

The Un-audited financial statements and limited review report is enclosed herewith.

Since the company is under Corporate Insolvency Resolution Process, the resolution professional reviewed and considered the results and approved the same for filing as per regulation 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

for **Ferro Alloys Corporation Limited**

Ritesh Chaudhry
Sr. General Manager (Legal) &
Company Secretary

FERRO ALLOYS CORPORATION LIMITED

CIN No. L45201OR1955PLC008400

Corp. Office : FACOR HOUSE, A-45-50, Sector-16, Noida, District Gautam Buddh Nagar, Uttar Pradesh-201 301 India • T +91-120-417 1000 • F +91-120-425 6700 • E.: facordelhi@facorgroup.in

Regd. office & Works : D. P. Nagar, Randia-756 335, Dist. Bhadrak, Orissa, India • T +91-6784-240 230 • F +91-6784-240 626 • E.: facorccp@facorccp.in

Head Office : Shreeram Bhawan, TUMSAR - 441 912, Dist. Bhandara, Maharashtra, India • T+91-7183-232233, & 233090 • F+91-7183-232271 • E.: facorho@facorgroup.in

www.facorgroup.in

FERRO ALLOYS CORPORATION LIMITED

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

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

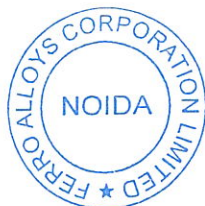
Website: www.facorgroup.in PHONE: +91-6784 240272, FAX: +91-6784-240 626 E-MAIL: facorccp@facorccp.in

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

(₹ In Lacs)

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

See accompanying notes to the financial results



Notes:

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

(₹ In Lacs)

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

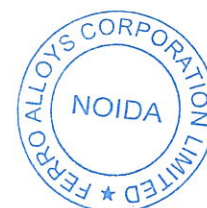
- 6 The Company adopted Indian Accounting Standards ("Ind AS") and accordingly the financial results for all periods presented have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies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

By Order of the Resolution Professional
For Ferro Alloys Corporation Limited


Vashpal Mehta
Chief Financial Officer


Ritesh Chaudhary
Sr. GM (Legal) & Company Secretary


R K Saraf
Chairman & Managing Director
DIN 00006102



Place : Noida, UP

Date : 14th September, 2017

SALVE & CO.
CHARTERED ACCOUNTANTS
PLOT NO.G-3, YASHODHAN, GOREPETH, NAGPUR-440 010
TEL:(O) 0712-2532354
Email ID: salve_co@hotmail.com

K.P.SAHASRABUDHE M 9422101354
S.D. PARANJPE M 9422101171

Limited Review Report

To,
The Resolution Professional,
Ferro Alloys Corporation Limited

The Hon'ble National Company Law Tribunal, Kolkata ("NCLT") admitted the Corporate Insolvency Resolution Process ("CIRP") application filed against Ferro Alloys Corporation Ltd. and appointed Mr. K.G. Somani as the Interim Resolution Professional under Insolvency and Bankruptcy Code, 2016 ("Code") vide order dated 6th July 2017. Further, the Committee of Creditors ("COC") constituted during the CIRP has confirmed appointment of Mr. K.G. Somani as the Resolution Professional ("RP") on 4th August, 2017 to manage the affairs of Ferro Alloys Corporation Ltd. as per the provisions of Insolvency and Bankruptcy Code, 2016.

As per Section 134 of the Companies Act, 2013, the financial statement of a company are required to be authenticated by the chairperson of the board of directors, where authorised by the Board or at least two directors, of which one shall be the managing director or the CEO (being a director), the CFO and the Company Secretary where they are appointed. In view of the pendency of the CIRP, these powers are now vested with Mr. K.G. Somani in his capacity as the RP from 6th July 2017 (Corporate Insolvency Resolution commencement date) as per the provisions of the Code.

We have reviewed the accompanying statement of standalone unaudited financial results of Ferro Alloys Corporation Limited ("the Company") for the quarters ended 30th June, 2017 and 30th June, 2016 ("the Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/ 62/ 2016 dated 5th July 2016. This statement which is the responsibility of the Company's Management and has been considered by the Resolution Professional.

This statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

1. As per Note 9(a) to the Financial Results, that the Corporate Guarantee extended by the Company along with Facor Alloys Limited to the Bankers (consortium) of Facor Steels Limited for Rs.142.40 Crores has been invoked to the extent of Rs. 33.82 Crores. The Company has not made any provision for the invoked amount, as the same is being contested.



SALVE & CO.
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K.P.SAHASRABUDHE M 9422101354
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2. As per Note 9(b) to the Financial Results, that the Corporate Guarantee extended by the Company to Rural Electrification Corporation Limited (REC) in respect of term loan facilities granted to its subsidiary Facor Power Limited was invoked on 27th October, 2015, and REC has initiated proceedings under section 7 of Insolvency and Bankruptcy Code against the Company, as Corporate Guarantor. The Company has not made any provision for outstanding principal term loan liability of Rs. 510.97 Crores and accrued interest of Rs. 206.46 Crores as on 30th June, 2017, as the same is being contested.

Based on our review conducted as above, except for the matter stated in paragraphs above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with aforesaid accounting standard and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/ 62/ 2016 dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



For SALVE & CO.,
Chartered Accountants
(Regn. No. 109003W)

C.A.K.P.SAHASRABUDHE
Partner
Membership No.007021

Place: NOIDA, U.P.
Date: 14th September, 2017