



THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

99th
ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH, 2017

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)

AG-104 "SOURAV ABASAN"
2ND FLOOR, SECTOR-II, SALT LAKE CITY, KOLKATA- 700091
TEL: 033- 4016 9200, FAX: 033-4016 9267
E-MAIL: info.birdgroup@nic.in
WEBSITE: www.birdgroup.co.in

CORPORATE INFORMATION

BOARD OF DIRECTORS (As on the date of AGM i.e 15th September, 2017)

Shri Ponnappalli Madhusudan	Ex-Officio Non Executive Chairman of the Board
Smt Urvilla Khati (till 15.06.2017)	Government of India, Nominee Director
Shri Prabhat Kumar Sinha	Managing Director
Shri Prem Sagar Mishra	Director (Production & Planning)
Shri Dasari Nageswara Rao (till 31.07.2017)	Ex-Officio Non Executive Director
Shri V. V. Venu Gopal Rao (w.e.f 31.07.2017)	Ex-Officio Non Executive Director
Shri Abdul Kalam (till 17.12.2016)	Non Executive Independent Director
Shri Kumar Jitendra Singh (till 17.12.2016)	Non Executive Independent Director
Shri Ravishankar Gangadhar Shinde (till 21.03.2017)	Non Executive, (Nominee Director of LICI)
Shri D. P. Mohanty (w. e. f 15.05.2017)	Non Executive, (Nominee Director of LICI)
Smt. Pally Kundu (w.e.f 12.07.2017)	Government of India, Nominee Director

AUDIT COMMITTEE

Shri D. P. Mohanty, Chairman
Shri Prem Sagar Mishra
Shri V. V. Venu Gopal Rao

NOMINATION AND REMUNERATION COMMITTEE

Shri D.P.Mohanty, Chairman
Shri V.V. Venu Gopal Rao
Shri Prem Sagar Mishra

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri V. V. Venu Gopal Rao ,Chairman
Shri D. P. Mohanty
Shri Prem Sagar Mishra

CORPORATE SOCIAL RESPONSIBILIT COMMITTEE

Shri D. P. Mohanty, Chairman
Shri V. V. Venu Gopal Rao
Shri Prem Sagar Mishra

CFO

Shri. Arijit Chakravarty

SECRETARY

Smt. Anu Singh (from 15.09.2016)

ST A TUTOR Y AUDITORS

M/s. M. C. Bhandari & Co.
Chartered Accountants

4, Synagogue Street,
Kolkata-700001

SECRET ARIAL AUDITORS

M/s. MR and Associates
Practicing Company Secretaries

46, B. B. Ganguly Street ,
4th Floor, Room No.6,
Kolkata-700012

BANKERS

State Bank of India	(Bikash Bhavan, GOC, Salt Lake, Kolkata)
State Bank of India	(Barbil, Orissa)
State Bank of India	(Bhubaneswar Branch)
State Bank of India	(New Delhi Branch)
Bank of Baroda	(Barbil, Orissa)
Bank of India	(Salt Lake, Kolkata)
Oriental Bank of Commerce	(Salt Lake, Kolkata)
IDBI Bank	(Salt Lake, Kolkata)
Corporation Bank	(Salt Lake, Kolkata)
Allahabad Bank	(Salt Lake, Kolkata)
United Bank of India	(Salt Lake, Kolkata)
UCO Bank	(Salt Lake, Kolkata)

REGISTERED OFFICE

AG-104, "Sourav Abasan" 2nd Floor, Sector-II, Salt Lake City, Kolkata-700091
Tel: (033) 4016-9200, Fax : (033) 4016-9267
E-mail : info.birdgroup@nic.in Website :www.birdgroup.co.in

REGISTRAR AND TRANSFER AGENT

CB Management Services (P) Limited

P-22, Bondel Road, Kolkata-700019

Phone : (033) 4011-6700

Fax : (033) 4011-6739

E-mail : rta@cbmsl.com

MINES OFFICE

P.O Thakurani

Via - Barbil, Dist. Keonjhar, Odisha -758035

Tel : (06767) 276777/275058

Fax : (06767) 275405

E-mail : omdc_fin_mo@yahoo.com



BOARD OF DIRECTORS



SHRI PONNAPALLI MADHUSUDAN
CHAIRMAN



SHRI PRABHAT KUMAR SINHA
MANAGING DIRECTOR



SHRI P. S. MISHRA
DIRECTOR



SHRI V. V. VENU GOPAL RAO
DIRECTOR



SHRI D.P. MOHANTY
DIRECTOR



SMT. PALLY KUNDU
DDG (MOS) & DIRECTOR



VISION AND MISSION

VISION

To become a world class, socially responsible,
green mining Company
maximizing value of all stakeholders.

MISSION

- To ensure sustainable growth of the Company by having synergy with all stake holders and maximization of returns, while following best practices of corporate governance and promoting ecological balance and mineral conservation.
 - To ensure high level of customer satisfaction.
 - To achieve international standards of productivity by scientific mining & adequate thrust on R & D, power consumption, environmental standards, preservation of flora & fauna, water resources.
 - To share developmental benefits with people living in & around mines, while improving the welfare of employees.
 - To expand the mining activities in other minerals like Coal, Chromites and other rare minerals in & outside the country by acquiring new mines.
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The map illustrates the route to the 99th AGM venue. It starts from Ultadanga, passing through Bidhannagar Road Railway and Bengal Chemical. The route continues through various blocks (BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX, BY, BZ) and ends at the Purbashree Auditorium, Eastern Zonal Cultural Centre. Other landmarks include Salt Lake Stadium, SAI Sports Complex, Overhead Water Tank, and Nicco Park. The map also shows the location of the 99th AGM venue relative to the Eastern Zonal Cultural Centre.

CIN: L51430WB1918GOI003026

Registered Office: AG-104 "Sourav Abasan" 2nd Floor, Sector-II, Salt Lake City, Kolkata-700 091

Tel: 91 33 4016-9200, Fax: 91 33 4016-9267,

E-mail: info.birdgroup@nic.in, Website: www.birdgroup.co.in

NOTICE OF 99TH ANNUAL GENERAL MEETING

Notice is hereby given that the 99th Annual General Meeting of The Orissa Minerals Development Company Limited will be held on Friday, the 15th day of September, 2017 at 10.00 A.M at Purbashree Auditorium of Eastern Zonal Cultural Centre at Bhartiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake, Kolkata-700106 to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017, together with the Report of the Board of Directors, Auditors and Comments of the Comptroller and Auditor General of India (CAG) thereon.
2. To declare dividend on Equity Shares for the Financial Year ended March 31, 2017.
3. To fix remuneration of Auditors under provision of Section 142 of the Companies Act, 2013. In this respect to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT

pursuant to Section 142 of the Companies Act, 2013, M/s. Nandy Halder & Ganguli (Firm registration no:-CA0136), the Statutory Auditors of the Company, appointed by the Comptroller & Auditor General of India for the financial year 2017-18 under the provision of Section 139 (5) of the Companies Act, 2013, be paid a remuneration plus out of pocket expenses as may be determined by the Board to conduct the audit."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT

Subject to the terms and conditions as determined by the Government of India vide letter No. 1/16/2015-BLA dated 15th June, 2017, Smt. Pally Kundu, Deputy Director General, Ministry of Steel, who has accorded her consent to act as Government Director on the Board of Director of OMDC and subsequently pursuant to the provisions of Section 161 of the Companies Act, 2013, Article 94 of the Articles of Association of the Company and all other applicable provisions of the

Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Smt. Pally Kundu (DIN:07871558) was appointed as an Additional Director of the Company by the Board of Directors w. e. f 12.07.2017 to hold office upto the date of this Annual General Meeting, be and is hereby appointed as a Government Nominee Director of the Company ."

5. To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT

Shri V. V. Venu Gopal Rao (DIN :02950920) Director (Finance) of RINL who has accorded his consent to act as a Director of the Company pursuant to provisions of Section 152 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, be and is hereby appointed as Additional Director of the company with effect from 31.07.2017, the approval of the Board in terms of provision of Section 161 of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company to hold office upto the date of the ensuing Annual General Meeting (AGM) of the Company, be and is hereby appointed as Non Executive Director of the Company.

By order of the Board
For The Orissa Minerals Development Company Ltd

Anu Singh
Company Secretary

Place: Delhi
Date: 20.07.2017

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED AT LEAST FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED TO THIS REPORT.
- 2) Members / Proxies are requested to bring their admission slips along with copy of the Annual Report to the Annual General Meeting.
- 3) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- 4) As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 5) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing of the intention so to inspect is given to the Company.
- 6) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books for the equity shares of the Company will remain closed from Saturday, September 9th, 2017 to Friday, September 15th, 2017 (both days inclusive).
- 7) Additional information pursuant to SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment as mentioned under item no. 4 & 5 at the Annual General Meeting are furnished and forms part of this Notice. The said Directors has furnished necessary consents/ declarations for their appointment.
- 8) The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 & 5 of the accompanying notice is annexed hereto.
- 9) The route map to the venue of the meeting is separately attached for the convenience of the members to attend the meeting.

10) The Board has recommended final dividend of Rs.1.46545 per equity share for the financial year 2016-17.

11) The Dividend, after declaration, will be paid to those shareholders, whose names stand on the Register of Members on 15th September, 2017. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares, whose names appear in the list furnished by the Depositories for this purpose as on the end of business hours of 8th September, 2017. The dividend shall be paid within 30 days from the date of AGM.

12) Pursuant to Section 124 of the Companies Act 2013, the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for the period of 7 years from the due date(s) to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Unclaimed final dividend for the year 2009-10 is due for transfer to Investors' Education and Protection Fund (IEPF) established by Government of India on or after 03.11.2017. All shareholders, whose dividend is unpaid, are requested to lodge their claim with M/s. CB Management Services (P) Limited, the Registrar & Transfer Agent of the Company by submitting an application on or before 11th October, 2017. Kindly note that no claims will lie against the Company or the IEPF once the dividend amount is deposited in IEPF.

13) Members who have not encashed their dividend warrants within their validity period may write to the Company at its Registered Office or CB Management Services (P) Limited, Registrar & Transfer Agent of the Company, for revalidating the warrants or for obtaining duplicate warrants or payment in lieu of such warrants in the form of demand draft.

14) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not yet registered their email address can now register the same either with the Company or with the Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

15) SEBI has made it mandatory for all companies to use bank account details furnished by the Depositories for depositing dividend through NECS, NEFT etc to investors wherever NECS and bank details are available. In absence of NECS facilities, the company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company

provides the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service) / RTGS (Real Time Gross Settlement) / NEFT (National Electronic Funds Transfer). Shareholders who have not yet availed the NECS/RTGS/NEFT facility and wish to avail the same may have their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) number updated with their respective Depository Participants (DPs) or RTA where shares are held in the dematerialized form and in the physical form, respectively.

16) Please note that as per the notifications of SEBI, the Company's equity shares have been under compulsory demat trading mode for all the investors. You are therefore, requested to demat your shareholding to avoid inconvenience in future.

17) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / CB Management Services (P) Limited.

18) Members desirous of making a nomination in respect of their shareholding in physical form, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed form SH13 and SH14, accordingly to the Share Department of the Company or to the office of the Registrar and Share Transfer Agent, M/s C B Management Services (P) Limited.

19) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to CB Management Services (P) Limited for consolidation into a single folio.

20) Cut-off date for e-voting has been fixed on 8th September, 2017.

21) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

22) Non-Resident Indian Members are requested to inform CB Management Services (P) Limited immediately of:

(a) Change in their residential status on return to India for permanent settlement.

(b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

23) To receive all communication promptly, please update your address registered with the Company or Depository Participant, as may be applicable.

24) Members are requested to:-

- Note that copies of Annual Report will not be distributed at the Annual General Meeting.
- Bring copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
- Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue.
- Quote the Folio/ Client ID & DP ID Nos. in all correspondence.
- Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
- Note that due to strict security reasons, mobile phones, brief cases, eatables and other belongings are not allowed inside the Meeting Hall.
- Note that no gifts will be distributed at the Annual General Meeting.

By order of the Board
For **The Orissa Minerals Development Company Ltd**

Anu Singh
Company Secretary

Place: Delhi
Date: 20.07.2017

Information pursuant to SEBI (Listing Obligations Disclosure Requirements) in connection with the Directors seeking appointment at the forthcoming Annual General Meeting (Refer Item Nos. 4 & 5 of the Notice)

Name of the Director	Smt. Pally Kundu	Shri V.V. Venu Gopal Rao
Date of Birth	06/08/1967	27/04/1963
Date of Appointment	12.07.2017	31.07.2017
Qualification	B. Sc(Stat)	Chartered Accountancy from 'Institute of Chartered Accountants of India,' New Delhi in the year 1987. Bachelor of Commerce with 1 st Class from Andhra University, Waltair. Master of Science (Ecology & Environment) with 1 st Class from Sikkim Manipal University of Health Medical and Technical Sciences, Gangtok in the year March 2003.
Experience	<ol style="list-style-type: none"> 1. NSSO (DPD), Ministry of Statistics and Programme Implementation as Assistant Director. 2. M/o Coal, O/o Coal Controller as Deputy Director 3. M/o Commerce, DGCI&S as Joint Director and Director. 4. NSSO(DPD), Ministry of Statistics and Programme Implementation. 5. Ministry of Steel as Deputy 	<ol style="list-style-type: none"> (a) Presently working as Director (Finance) in Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant, Visakhapatnam, from 06.07.2017 onwards. (b) Worked as Director (Finance) in M/s. Hindustan Copper Limited, PSU under Ministry of Mines, from 10.9.2013 to 05.07.2017. (c) Worked as 'Director (Finance)' in M/s. Braithwaite & Co. Limited, PSU Under, Ministry of Railways during the period 18.01.2010 to 10.9.2013.

	Director General.	Worked in SAIL-Bhilai Steel Plant from August 1991 to January 2010
Directorship Details	NIL	Director (Finance) in Rashtriya Ispat Nigam Ltd.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No	No
No of Meetings of the Board attended during 2016-17	NIL	NIL
Membership of Committees	NIL	Member in following Board Sub-Committees of <u>Rashtriya Ispat Nigam Ltd.,(Non-Listed CPSE Public Limited Company)</u> (1) Raw Material Security, Joint Venture & Acquisition Committee (Non-Statutory Committee) (2) Expansion & Related Projects Committee (Non-Statutory Committee) Stakeholder / Investors Grievance Committee (Statutory Committee)
Number of Shares held in the Company	NIL	NIL

***Membership/Chairmanship of Audit Committee and Stakeholders Investors Relationship Committee' of Public Limited Companies only have been considered.**

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No: 4

Smt. Pally Kundu (DIN: 07871558) was appointed as Government Director of the Company by the Government of India vide letter No. 1/16/2015-BLA dated 15.06.2017 issued by Ministry of Steel and was accordingly appointed as an Additional Director of the Company on 12th July, 2017 in terms of provisions of Section 161 of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company to hold office upto the date of this Annual General Meeting of the Company.

Smt. Pally Kundu, is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The brief profile of Smt. Pally Kundu, the nature of her expertise, the names of the Companies in which she holds Directorship, is included in the Notice.

Item No.5

Shri V. V. Venu Gopal Rao (DIN: 02950920) Director (Finance) was appointed as Nominee Director of RINL in place of Shri D.N. Rao on the Board of the Company vide letter No. CA/BGC-OMDC/17 dated 28.07.2017 issued by RINL (holding company) and was accordingly appointed as an Additional Director of the Company w. e. f 30.07.2017 in terms of provisions of Section 161 of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company to hold office upto the date of this Annual General Meeting of the Company.

Shri V. V. Venu Gopal Rao, is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The brief profile of Shri V. V. Venu Gopal Rao, the nature of his expertise, the names of the Companies in which he holds Directorship, is included in the Notice.

None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs, except Smt. Pally Kundu, & Shri V. V. Venu Gopal Rao are in any way, concerned or interested, financial or otherwise, in the said resolution.

Your Directors recommend his appointment in the interest of the Company.

By Order of the Board
For **The Orissa Minerals Development Company Ltd**

Anu Singh
Company Secretary

Date: 20.07.2017
Place: Delhi

REQUEST TO MEMBERS

Members desirous of getting Information/Clarification on the Accounts and Operations of the Company or intending to raise any query are requested to forward the same at least 7 days in advance of the meeting to the Company Secretary at the office address so as the same may be attended appropriately.

KIND ATTENTION OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

The Shares held by you in physical form can be easily dematerialized i.e. converted into electronic form. The various benefits derived out of dematerialization of shares are:

1. Immediate transfer of securities.
 2. No stamp duty on transfer of securities.
 3. Elimination of risk associated with physical certificates such as bad delivery, fake securities etc.
 4. Reduction in paperwork involved in transfer of securities.
 5. Reduction in transaction cost.
 6. Nomination facility.
 7. Changes in address recorded with DP get registered electronically with all Companies in which investor holds securities in demat form, eliminating the need to correspond with each of them separately.
 8. Transmission of securities is done by DP eliminating correspondence with Companies.
 9. Convenient method of consolidation of folios/accounts.
 10. Automatic credit into demat account of shares arising out of split/ consolidation / merger.
- You are therefore, requested to:
- a) Approach any Depository Participant (DP) of your choice for opening a Demat Account.
 - b) Fill in a Demat Request Form (DRF) and handover the relative physical share certificate(s) to your DP for Dematerialization of your shares.

Shares will get converted into electronic form and automatically credited to your Demat Account.

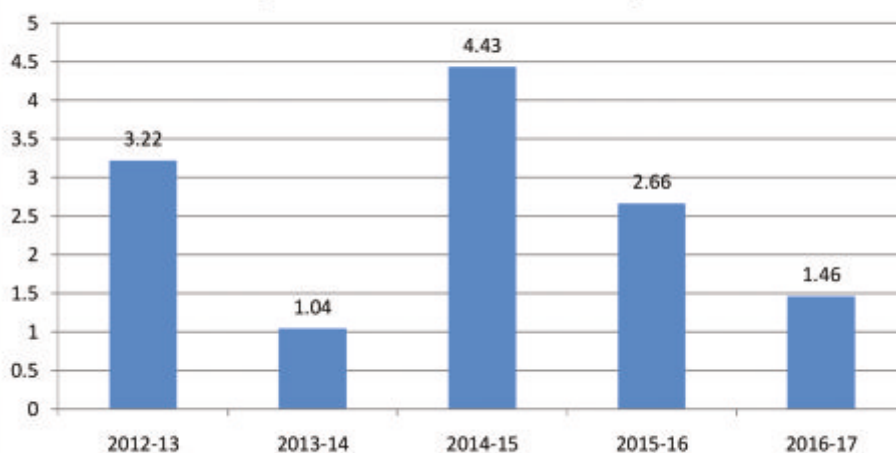
IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued a Circular stating that service of notice/ documents including annual report can be sent by e-mail to its members. We request you to join us in this noble initiative and look forward to your consent to receive the annual report in electronic form. To support this green initiative of the Government in full measure and in compliance of Section 101 and Section 136 of the Companies Act, 2013, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register the same with OMDC Limited or our Registrar and Transfer Agent, M/S C B Management Services (P) Ltd , P-22, Bondel Road, Kolkata - 700 019 to enable the Company to send the Annual Reports through e-mail instead of physical form.

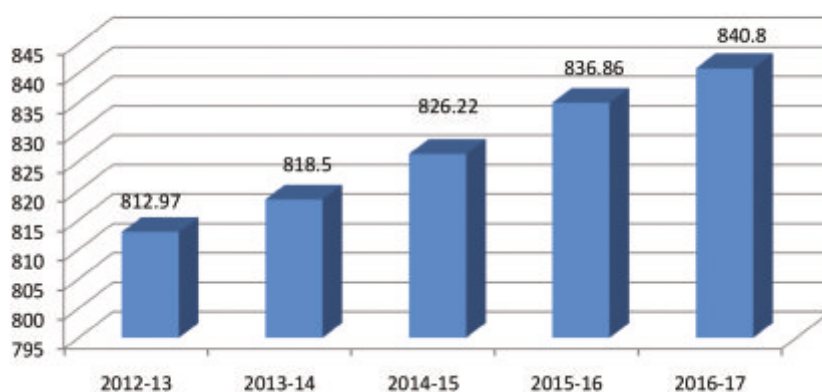
PHYSICAL AND FINANCIAL PERFORMANCE FOR LAST FIVE YEARS AT A GLANCE

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Production Lakh Tonnes					
Iron Ore	-	-	-	-	-
Manganese Ore	-	-	-	-	-
Sponge Iron	-	-	-	-	-
Sales - Lakh Tonnes					
Iron Ore	-	-	-	-	-
Manganese Ore	-	-	-	-	-
Sponge Ore		-	-	-	-
Finance - ` in crores					
Turnover		-	-	-	-
Gross Margin	35.07	25.75	34.54	26.22	17.21
Profit Before Tax	26.25	16.74	25.83	19.38	12.36
Profit After Tax	12.86	6.26	17.70	10.63	5.86

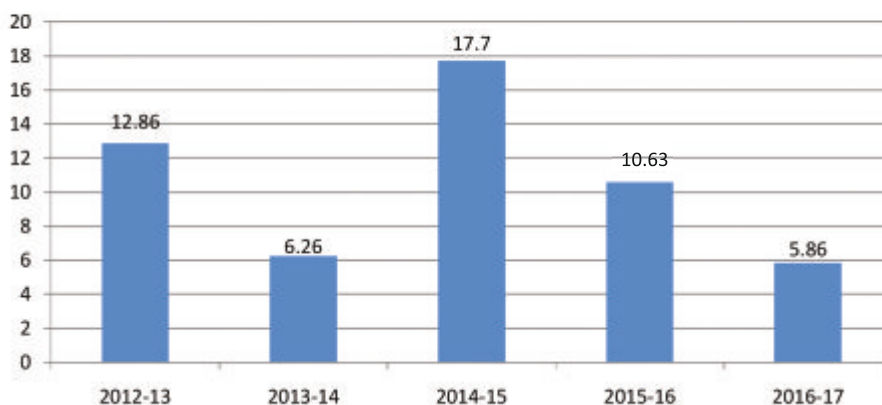
Dividend per share allocation 5 years (Rs.)



Graph Representing Net Worth For Last 5 Years (Rs. in Crore)



Graph Representing Profit After Tax(PAT) For Last 5 Years (Rs. in Crores)





Mr. P Madhusudan, Chairman

*Chairman's Speech at the
99th Annual General Meeting on 15th September, 2017*

Ladies & Gentlemen

Very Good Morning!

On behalf of the Board of Directors of the Company, it is a great honour and privilege for me to extend a very warm welcome to all of you at the 99th Annual General Meeting of Your Company.

The Directors' Report and the Audited Statement of the Accounts for the year 2016-17 and the Notice to the Shareholders have already been circulated and with your permission, I take them as read.

1) Operating Performance of Your Company:

As you know, this year also there was no mining activity in any of the mines of OMDC owing to reasons of non-renewal of mining leases and non-availability of other statutory clearances. This situation has resulted in loss of opportunity by the Company to enhance and expand the business from its core activity. The management of your Company has been putting constant efforts and regularly meeting with State Governments Officials for renewal of mining leases. The legal issues are also being addressed with utmost care by engaging experienced and senior advocates/legal professionals to settle cases of the Company at the earliest.

As mines remained inoperative, your company could not earn any revenue from sales in this year. By prudent cash planning, taking into consideration the Government Guidelines, your Company has earned an interest income of Rs 60.66/- crores during the year on its Surplus funds parked in term deposits, which is included in other income. Your Company earned profit before tax of Rs 12.36 crores as compared to Rs 19.38 crores in the previous year. Profit after tax stood at Rs 5.86 crores as compared to Rs 10.63 crores during the previous year.

2) Looking Ahead

Company's future plan could not take desired shape mainly because of uncertainties with the renewal of mining leases of the company. The company is committed and also geared up to move forward for its stability, growth and better future.

Your Company is looking for new mining avenues and accordingly drawn up plans to participate in auction of iron ore blocks which are to be placed for auction from the State Government of Orissa.

3) Dividend for the year 2016-17

We have been consistently rewarding our shareholders with dividend. For the year 2016-17, your Company has recommended a dividend of Rs 1.46 per equity share of Rs 1/- each. The financial out go on this account shall be Rs 1.05 crores inclusive of tax on dividend.

4) Corporate Governance

OMDC believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company. OMDC aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company is continuously striving to improve its level of overall efficiency through good corporate governance which envisages transparency, professionalism and accountability in all its operations which are vital to achieve its Vision.

5) Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has been an integral part of our business philosophy and the Company has been following it much before it became a norm for the corporate sector in India. The Company has been allocating CSR budget as per the guidelines of DPE.

Your Company's CSR activities are focused in areas such as Health, Education, Employment generation, Empowerment of women and Drinking Water etc.

6) Acknowledgement

On behalf of your Company's Board of Directors, I wish to convey earnest thanks to the valued Share holders for their continuous support and reposing trust on us. This motivates us to excel in all our pursuits and constant endeavour to create value for the stakeholders.

I take this opportunity to thank the Government of India, Ministry of Steel, Ministry of Mines, Ministry of Environment and Forest, Ministry of Corporate Affairs, other Departments of Government of India, Government of West Bengal and Odisha, and all other Authorities and Regulatory bodies for their unstinted support and valuable guidance.

I thank you all once again and offer my best wishes for a very joyous festive season ahead.

Thank you and Jai Hind.

(P. Madhusudan)
Chairman

Dated: 15th September, 2017
Place: Kolkata

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2017.

Dear Member,

On behalf of the Board of Director of the Company, I take great pleasure in presenting the 99th Annual Report of the Company for the financial year ended 31st March, 2017 together with the Audited Statements of Accounts, the Auditor' Report and Comments on the Accounts by the Comptroller and Auditor General of India.

1. FINANCIAL RESULTS

The financial results of OMDC for the year 2016-17 in comparison with previous financial year 2015-16 are highlighted here in Table-1 below:

TABLE - 1

PARTICULARS	For the year ended 31-03-2017 (Rs in Lacs)	For the year ended 31-03-2016 (Rs in Lacs)
Income :-		
Revenue from operations	-	-
Other Income	6317.62	7000.66
Total Income	6317.62	7000.66
Total Expenditure	5081.38	5062.34
Depreciation	484.93	683.77
Net profit before tax	1236.24	1938.32
Tax Expenses-(a) Current tax	552.67	734.05
(b)Deferred tax	27.14	110.03
Net profit after tax	656.43	1094.25
Balance B/F from previous year	51210.40	50572.50
Profit available for appropriations	51796.59	51635.66
Total Other Comprehensive Income	(70.25)	(31.09)
Total Comprehensive Income	586.18	1063.16
Appropriations:-		
General Reserve	58.62	106.32
Payment of Dividend	159.47	265.80
Dividend Tax Paid	32.47	53.14
Surplus carried to Balance Sheet	51546.02	51210.40

2. REVIEW OF THE FINANCIAL PERFORMANCE

As there was no production and dispatch of Iron Ore and Manganese Ore during the year 2016-17, there was no operating income during this year and the main earning was interest from the term deposits, which reduced on account of lower interest rates.

As a result, the other income reduced to Rs. 6317.62 lakhs in comparison to Rs. 7000.66 lakhs in previous year. Profit before tax stood at Rs. 1236.24 lacs as compared to Rs. 1938.32 lacs for the previous year. Profit after tax was Rs 586.18 lacs as compared to Rs. 1063.16 lacs during the previous year.

3. OUTPUT AND DISPATCH

Closure of all six mines, owing to non availability of statutory clearances and litigations coupled with the restrictions imposed on the transporting of minerals have resulted in nil production and nil dispatch during the year 2016-17.

4. DIVIDEND

Based on the financial results of the Company and keeping in view the suspension of mining operations of the company for a long period, your Board has recommended a dividend of Rs. 1.46 (1.46545) per equity share of Re. 1/- each for the year 2016-17. This would involve a cash outgo of Rs. 105.83/- lacs inclusive of tax on dividend.

5. OTHER INCOME

Company continued its prudent cash planning to focus on judicious management of its working capital. Receivables, inventories and other working capital parameter were kept under strict check through continuous monitoring. As per the Government guidelines, the Company deployed the surplus funds in fixed deposits and earned an interest income of Rs. 6065.89 lacs on fixed deposits during the year 2016-17 which is included under other income of the Statement of Profit & Loss Account for the year ended 31st March, 2017, though the interest rates reduced from the previous year.

6. NETWORTH

The net worth of the Company as on 31st March, 2017 was Rs 840.80 crores as compared to Rs 836.86 crores on 31st March, 2016.

7. TRANSFER TO RESERVES

During the year 2016-17, the Company has transferred Rs 58.62 lacs to General Reserve as per Profit and Loss.

8. INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a total sum of Rs. 34,20,235/- during the financial year 2016-2017 to the Investor Education & Protection Fund established by the Central Government in compliance with Section 125 of the Companies Act, 2013 for the unclaimed dividend period pertains to financial year 2009-2010. The said amount represents unclaimed dividend for the year which were lying with the company for a period of seven year from their respective due dates of payment. Prior to transferring the aforesaid sum, the company has sent reminder to the shareholder for submitting their claims for unclaimed dividend.

9. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs. 60 lacs divided into 60 Lacs equity share of face value of Re 1 each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Director of the Company holds shares or convertible instruments of the Company.

10. MEETINGS OF THE BOARD OF DIRECTOR

The Board met 6 (six) times during the year 2016-17. The details of Board Meetings are provided in the Corporate Governance Report annexed with this Board Report. The gap between any two Board Meetings never exceeded the prescribed time limit under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

11. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTOR

All the Independent Director of the Company have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and the same have been placed and noted by the Board.

12. AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. There have been no instances where the Board has not accepted the recommendations of the Audit Committee during the year, 6(six) Audit Committee Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

In the last quarter of year, the Audit Committee ceased to exist due to expiry of tenure of 2 Independent Directors on the Board of OMDC w.e.f 17.12.2016. Therefore, the composition and terms of reference of the Audit Committee was incomplete in the last quarter of the financial year. The Board reconstituted the Committee consisting of Shri D. P. Mohanty, LIC Nominee Director, Shri V. V. Venu Gopal Rao, Non Executive Director, Shri P. S. Mishra, Whole time Director.

13. NOMINATION AND REMUNERATION COMMITTEE

The company had constituted Nomination and Remuneration Committee consisting of Non-Executive Directors out of which 2 are Independent Directors. The composition and terms of reference of the Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

Being a Central Public Sector Undertaking, the appointment, tenure, performance evaluation, remuneration, etc., of Director are made/fixed by the Government of India. The remuneration of officer is decided as per Government guidelines on Pay Revision and remunerations of other employees of the company are decided as per Wage Settlement Agreement entered with the Union. The appointments/promotions etc. of the employees are made as per Recruitment and Promotion Policy approved by the Board.

In the last quarter of year, the Nomination and Remuneration Committee ceased to exist due to expiry of tenure of 2 Independent Directors on the Board of OMDC w. e. f 17.12.2016. The Board reconstituted the Committee consisting of Shri V. V. Venu Gopal Rao, Non Executive Director, Shri D. P. Mohanty, LIC Nominee Director, Shri P. S. Mishra, Whole time Director.

14. STAKEHOLDER RELATIONSHIP COMMITTEE

The composition and terms of reference of the Stakeholder Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. During the year, 2 (two) Stakeholder Committee Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

In the last quarter of year, the Stakeholder Relationship Committee ceased to exist due to expiry of tenure of 2 Independent Directors on the Board of OMDC w. e. f 17.12.2016. Therefore, the composition and terms of reference of the Stakeholder Relationship Committee was incomplete in the last quarter of the financial year. The Board reconstituted the Committee consisting of Shri V. V. Venu Gopal Rao, Non Executive Director, Shri D. P. Mohanty, LIC Nominee Director, Shri P. S. Mishra, Whole time Director.

15. CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE

In the last quarter of year, the Corporate Social Responsibility Committee ceased to exist due to expiry of tenure of 2 Independent Directors on the Board of OMDC w. e. f 17.12.2016. Therefore, the composition and terms of reference of the Corporate Social Responsibility Committee was incomplete in the last quarter of the financial year. The Board reconstituted the Committee consisting of Shri V. V. Venu Gopal Rao, Non Executive Director, Shri D. P. Mohanty, LIC Nominee Director, Shri P. S. Mishra, Whole time Director.

The target areas are water supply, education, infrastructure, health programme through conduct of health camps for treatment of villagers of peripheral villages, women empowerment, vocational training to candidates from weaker section of society for ITI training etc.

Details about the CSR initiatives and policy of the company are available at the Company's website.

Report on CSR activities is annexed herewith, forms part of this Report.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, guarantee or made investment in securities exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

17. RELATED PARTIES TRANSACTION

The Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of the company at large. Nonetheless, transaction with related party have been disclosed in Note no 35 of notes to the accounts. Hence no disclosure is made on form AOC-2 as required under Section 134(3) read with rule 8 of the Companies (accounts) Rules, 2014. Company has Related Party Transaction Policy and the same is uploaded in its website.

18. INTERNAL CONTROL SYSTEMS

Your Company has a system of internal control to ensure that the financial and other records are reliable, the assets and properties are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The Internal Control System is supplemented by extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

All purchases and expenses are guided by formal approval mechanisms. Officials are designated for approval upto specified limits to have automatic and efficient cost control process.

Your Company also has an Audit Committee. The Audit Committee reviews adequacy of internal control systems and the Internal Audit Reports and compliance thereof. The Committee reviews the internal control system and conduct of internal audits during the year.

19. FUTURE OUTLOOK

The six mines of OMDC are in-operative due to non renewal of mining leases and consequent upon non availability of statutory clearances. Company's future plan could not take desired shape mainly because of uncertainties with the renewal of mining leases of the company. The company is committed to put all efforts to sort out the uncertainties and also geared up to move forward for sustenance and better future.

20. STATUS OF BRAHMANI COAL BLOCK

- i) Brahmani Coal Block in Talcher, of Dhenkanal, Odisha allocated to OMDC on 07.11.2013 by Ministry of Coal.
- ii) Ministry of Coal, Govt. of India has approved allotment of Brahmani Coal Block to OMDC for commercial mining vide letter dated 21st July'2016.
- iii) The date and time for signing the Coal Block Development and Production Agreement (CBDPA) shall be intimated by Ministry of Coal in due course. The matter is being pursued.

21. FIXED DEPOSITS

Your company has not accepted any fixed deposit and, accordingly no account was outstanding as at the Balance Sheet date.

22. STATUS OF RENEWAL OF THE MINING LEASES:

A. OMDC Leases

- i) Govt. of Odisha again issued lapsing notice on 07.09.2016 in spite of favourable order from the RA, Ministry of Mines, Govt. of India on 11.05.2016. Reply submitted on 05.10.2016 and 1st hearing took place on 17.10.2016. Hearing in respect of one lease (Belkundi Mines) completed on 23.02.2017.

B. BPMEL Leases

- i) All the three BPMEL mining leases are non operational due to legal cases at High Court-Cuttack, High Court-Kolkata, DRT & DRAT, Kolkata which are sub-judice.

23. INFORMATION TECHNOLOGY & TECHNOLOGY UPGRADATION

- The Company has taken initiative to publish all tenders/ Expression of Interest (EOI) in Companies Corporate Website as well as Central Public Procurement Portal (CPP Portal).
- Procedure for Sale of Iron Ore and Manganese Ore is designed through e-auction mode.

- Biometric based Attendance System and CCTV based surveillance system is present at Corporate office.
- Maintenance of leave records and processing of salaries is being done through customized payroll system.
- Tally based Accounting Package is being used to pay vendor bill and different employee entitlements through RTGS and e-payment mode.
- The technology focus of the Company is to develop as a green mining Company, having technological up gradation and taking all safety measures to have safe and cost effective mining operations.

24. SAFETY MEASURES

The Company takes safety measures according to provision of the Mines Act, 1952 and in terms of Rules, Regulations and Guidelines towards safety of employees engaged in mining and allied activities. Necessary safety devices, tools and implements have been provided to the concerned employees. Safety handbook has been made and distributed as per instruction of DGMS. Basic and refresher training is imparted to the workers in the Vocational Training Center from different disciplines and operational activities in the mines as per the guidelines of DGMS. Disaster Management plan has been put in place by the Company.

25. IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT, 2005

Your Company is proactively complying with the provisions of the Right to Information Act, 2005. The relevant information pertaining to RTI Act 2005 are uploaded in the Company website. The queries are regularly replied through a Public Information Officer and Assistant Public Information Officer. All the information sought under the Act has been furnished within the stipulated time period. Whenever there is a likely delay in reply due to unavailability of proper information within the stipulated time limit, an interim reply is always sent to the applicants. Statutory Reports like Monthly Returns, Quarterly Returns and Annual Returns and other reports as required under this Act were complied and forwarded to the Ministry from time to time.

During the year ended on 31st March, 2017, total 3 applications have been received (in respect of OMDC), and all are disposed off.

26. PROGRESSIVE USE OF HINDI

The Orissa Minerals development Company Limited (OMDC) is situated in category (C) area as per the Official Language Act. Company has taken positive steps to enhance awareness and usage of Hindi among employees. Company had observed "Hindi Pakhwada" by way of organizing competitions and distribution of prize on essay writing, Hindi poems recitation and Hindi Anubad in which the employees took active participation. OMDC is ensuring steps under the directives of the Official Language Act to use and propagate the use of Hindi. Bilingual Boards and advertisements are being issued. "Rajbhasha Shikshan Board" is put up at H.O. to appraise the employees with new words every day. 'Rajbhasha Training classes for Parangat courses were conducted under "Hindi Sikhsan Yojana" for learning Hindi and use of Hindi language for official use. Employees are putting signatures in attendance registers and despatch registers are maintained in Hindi. "Prabin, Pragya & Parangat" exams have been completed who attended classes and above 80% of employees have passed the related exam and accordingly Central

Government has already notified OMDC under sub-rule (4) of Rule 10 of the Official Language Act on 01.03.2017. The OMDC is already registered in Rajbhasa website and quarterly report are being sent regularly through online. Company's website is already updated in Hindi.

27. EMPOWERMENT OF WOMEN

The Company continues to accord due importance to gender equality. All necessary measures/statutory provisions for safeguarding the interests of women employees in issues like payment of wages, hours of work, health, safety, welfare aspects and maternity benefits etc are being followed by the Company.

In compliance with the directives of the Supreme Court, guidelines relating to sexual harassment of women workers at work places were issued by Govt. of India, Ministry of Human Resources and Development. Accordingly, a Grievance Cell for Women is functioning in the Company to redress grievance of women employees. No case of any harassment has been reported at any of the Mines of the Company or its Corporate Office. The directives have been widely circulated to bring awareness amongst the employees, particularly women. OMDC does not differentiate in terms of gender, and is an equal opportunity employer.

Total women employees on roll of the Company as on 31.03.2017 were 82 which constitute about 18.22% of its total workforce of 450 employees. As a part of CSR also, OMDC strives to empower women, details of which is listed with CSR.

28. HUMAN RESOURCE & WELFARE OF WEAKER SECTIONS OF SOCIETY

The total number of employees in OMDC as on 31.03.2017 is 450. About 70.22% of the total strength (316 out of 450) belong to SCs/STs/OBCs, out of which, 61 (13.55%) belong to SCs, 158 (35.11%) to STs and 97 (21.55%) to OBCs.

Strength of SCs, STs and OBC's as on 31st March, 2017

1. Total no. of Employees	-	450 (Exe. 80 & Non Exe.-370)
2. Scheduled caste among them	-	61 (Exe. 07 & Non Exe-54)
3. Scheduled tribes among them	-	158 (Exe. 02 & Non Exe.-156)
4. OBC	-	97 (Exe. 18 & Non Exe-79)
5. Total of SC, ST and OBC	-	316
6. Physical Challenged employee	-	01

Your Company is also taking keen interest in development of the weaker section of society living in the periphery of the mines situated in remote areas by providing drinking water facilities, road maintenance, periodical medical checkups and treatment to people living in these villages.

29. INDUSTRIAL RELATIONS

Industrial relations in your Company and at Mines continued to be cordial during the year 2016-17.

30. VIGILANCE

OMDC has its Vigilance Department headed by the Chief Vigilance Officer [CVO] of RINL upto 01/04/2017 and, after completion of deputation tenure, CVO was relieved on 01/04/2017. At present, the Vigilance Activities are looked after by one Vigilance Officer with assistance of PSO to CVO. In addition, one Officer at OMDC Mines, Thakurani and one Officer at BSLC Mines, Birmiritrapur has been given Additional assignment of Vigilance.

Vigilance Department, OMDC lays emphasis on facilitating a conducive environment for people to work with Integrity, Impartiality and Efficiency. Efforts were made to reduce the pendency of long pending Disciplinary Cases. The Department has also conducted certain inspections at Mines to identify the areas of Pilferage, Identifying systems and procedures needing improvement. As per the directives of Central Vigilance Commission the company observes "Vigilance Awareness Week" every year.

31. GRIEVANCE REDRESSAL MECHANISM (GRM)

Grievance Redressal Mechanism is in place in OMDC at Unit Level and at Corporate Level. Nodal Officer has been notified for this purpose. The name & designation of the officer have been posted in the Company website

Status of Public/ Employees' Grievances from 1.04.16 to 31.03.17

TABLE

Sl. No	Type of Grievances	Grievances outstanding as on 01.04.2016	No. of Grievances received during the period 01.04.16 to 31.03.17	No. of cases disposed of during the period 01.04.2016 to 31.03.2017	No. of cases pending as on 31.03.2017
1.	Public Grievances	Nil	9	9	Nil
2.	Employee Grievances	Nil	1	1	Nil

32. IMPLEMENTATION OF THE PERSONS WITH DISABILITIES ACT, 1995

OMDC being a mining organization is governed by the provisions of the Mines Act, 1952 and Rules & Regulations there under. OMDC has implemented the provisions of "Persons with Disabilities Act, 1995". 1(one) employee with disability is employed in OMDC. OMDC has provided access for disabled persons at its head office.

33. COMPLIANCE WITH LAW/LEGAL REQUIREMENTS

The Company has taken measures to ensure legal compliances from all the departmental heads and the annual legal compliance report are placed before the Board.

34. WEBSITE OF THE COMPANY

The Company maintains its website where information about the Company is provided.

35. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The company has a vigil mechanism for Director and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Director and employees who avail of the mechanism. In exceptional cases, Director and employees have direct access to the Chairman of Audit Committee.

Your Company has a Whistle Blower Policy in place and the same is also available in the website.

36. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The prescribed particular of conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo required under Sec 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is followed at OMDC.

37. STATUTORY AUDITOR

On the advice of the Comptroller and Auditor General of India, New Delhi, your Company appointed the under mentioned firm of Chartered Accountants as Statutory Auditor of your Company for the year 2016-17:

SL No.	Name of the Auditor	Address of the Auditor
	M/s. M. C. Bhandari & Co.	4, Synagogue Street, Kolkata-700001.

The Statutory Auditor Report on the Accounts of the Company for the Financial Year ended 31st March, 2017 forms part of the Directors Report.

38. COMMENTS BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA (CAG) ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2017.

The Comptroller and Auditor General of India (CAG) had conducted Supplementary Audit under Section 143 (6) (a) of the Companies Act, 2013 of the financial statements of The Orissa Minerals Development Company Limited for the year ended 31st March, 2017. The comments of Comptroller & Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the Accounts of the Company for the year 2016-17 forms part of this report.

39. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

A Secretarial Audit was conducted during the year by the Secretarial Auditor M/s. MR and Associates, Practicing Company Secretaries. The Secretarial Auditor's Report for the financial year ending 31st March, 2017 is annexed to the Board's Report.

40. ADVERSE IMPACT OF PAYMENT OF ENHANCED STAMP DUTY BY THE LESSEES OF MINING LEASES AS PER THE PROVISIONS OF THE INDIAN STAMP (ODISHA AMENDMENT) ACT, 2013 AND ACTION TAKEN BY OMDC.

Two separate Writ petitions under Article 226 & 227 of the Constitution of India, for issue of Writ of Quo Warranto to the Government of Odisha to quash the provisions of Indian Stamp (Odisha Amendment) Act, 2013 and Rule 11- C of the Odisha Stamp Rules, 1952 inserted through Odisha Stamp (Amendment) Rules, 2013 was filed by OMDC in the "High Court of Orissa", Cuttack separately for the mines of OMDC.

The High Court of Orissa heard both the above petitions on 17.07.13 and passed an order for stay of the impugned Indian Stamp (Odisha Amendment) Act, 2013, Odisha Stamp (Amendment) Rules,

2013 and Circular dated 25.05.2013 and dated 03.07.2013 issued by Principal Secretary, Department of Steel & Mines, Govt. of Odisha.

41. MAJOR LEGAL CASES

The company is contesting major legal cases at High Court Kolkata, DRAT Kolkata, NCLT Kolkata to separate the issue of leases from the liquidation process of M/s BPMEL (for Kolha Roida, Dalki & Thakurani leases). The Revisional Authority, Ministry of Mines has set aside the lapsing orders regarding the leases of Bhadrasahi, Belkundi, and Bagiaburu. Appeals also have been placed to Govt. of Odisha for setting aside the lapsing order of above 3 leases.

The Revisional Authority, Ministry of Mines, GoI has been approached to set aside demand notice from Govt. of Odisha for Rs. 5395.3 Crores related to the alleged excess mining. All such cases of Odisha miners are under consideration of Revisional Authority.

42. RISKS & MITIGATING STEPS

The Company has identified various risks faced by the Company from different areas. As required under SEBI (LODR) Regulation 2015, the Board has adopted a Risk management policy whereby a proper framework is set up.

43. DIRECTORATE

LICI nominates Shri Debi Prasanna Mohanty, Executive Director (IT/BPR) to represent the corporation as a Director on the Board of the Company from 15.05.2017.

Shri Ravishankar Gangadhar Shinde vacated his office w.e.f 21.03.2017.

Shri V. V. Venu Gopal Rao, Nominee Director of RINL has been appointed in place of Mr. D. N. Rao w. e. f 31.07.2017 as non executive director of the Company.

44. WOMAN DIRECTOR

In terms of the provisions of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, a company shall have at least one Woman Director on the Board of the company. Presently Smt. Pally Kundu, Deputy Director General, Ministry of Steel, is on the Board of your Company as Woman Director.

45. DETAILS ABOUT KEY MANAGERIAL PERSONNEL

Smt. Anu Singh, Company Secretary was nominated as Key Managerial Personnel of the Company by the Board at its Board meeting held on 9th December, 2016 under Section 203 of the Companies Act, 2013.

Pursuant to section 134(3) (q) read with rule (8) (5) (iii) of Companies (Accounts) Rules, 2014, the Board has identified Managing Director, Chief finance Officer (CFO), and Company Secretary as Key Managerial Personnel.

46. REPORT ON MANAGEMENT DISCUSSIONS AND ANALYSIS

A Report on Management Discussions and Analysis as required in terms of Schedule V of the SEBI (LODR) Regulation, 2015 enclosed and forms part of the report.

47. CORPORATE GOVERNANCE

A report on Corporate Governance regarding compliance of the conditions of Corporate Governance pursuant to Schedule V of the SEBI (LODR) Regulation, 2015 also forms part of this Directors' Report.

Certificate attested by the CEO/CFO is also enclosed forming part of the Corporate Governance Report and Certificate on Compliance was obtained from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

48. DEPOSIT

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

49. LISTING

The Company's shares are listed at The Calcutta Stock Exchange Limited, National Stock Exchange Limited and also traded in Bombay Stock Exchange Limited under permitted category. The listing fee is paid upto 31st March, 2017.

50. DEPOSITORY SYSTEM

The Company's shares are under compulsory demat mode. The Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

All the Shareholder except 144 nos holding shares in dematerialized form. Members having certificate in physical form are requested to dematerialize their holdings for operational convenience.

51. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return forms part of the Board's Report.

52. APPOINTMENT AND REMUNERATION POLICY

Being a Central Public Sector Undertaking, the appointment, tenure, performance evaluation, remuneration, etc., of Director are made/fixed by the Government of India.

The remuneration of office is decided as per Government guidelines on Pay Revision and remunerations of other employees of the company are decided as per Wage Settlement Agreement entered with the Union. The appointments/ promotions etc. of the employees are made as per Recruitment and Promotion Policy approved by the Board.

53. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitment, affecting the financial position of the company which has occurred between the end of the financial year and the date of the report except the following developments which have taken place in the recent past.

- The Income Tax Department has filed an appeal for all three A.Y 2008-09, 2009-10 and 2010-11 before ITAT vide intimation dated 07.05.17 received on 22.05.2017 against disposal of three Appeals by the CIT(Appeal-2) vide Appeal order dated 30.01.2017 in favour of the Company.

- Status of Mining Lease

i) Govt. of Odisha vide proceedings dated 29.05.2017 has declared the Belkundi mining lease as lapsed. OMDC has applied to the State Govt. for revival of Belkundi mining lease on 01.06.2017 under Rule 20(7) of the MC Rule, 2016 along with prescribed fee of Rs. 1(one) Lakh only.

OMDC has submitted Revision Application before the Mines Tribunal, Govt. of India on 09.06.2017 under sec 30 of MMRD Act, 2015 against the order of lapsing of Govt. of Odisha. Government of Odisha has called for hearing on revival notice on 26.07.2017.

ii) Hearing of lapsing order in respect of Bhadrasahi mines held on 07.07.2017.

iii) Hearing of lapsing order in respect of Bagiaburu mines heard on 21.07.2017.

54. CAUTIONARY STATEMENT

Statements in the report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of Applicable Laws, Rules and Regulations. Actual results may differ materially from those stated in the statement. Important facto that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factor such as litigations and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

55. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Director make the following statements in terms of Section 134(3)©of the Companies Act, 2013:

(i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) That the Director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the Company at the end of the financial period and of the profit or loss of the Company for that period;

(iii) That the Director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the

Company and for preventing and detecting fraud and other irregularities;

(iv) That the Director had prepared the annual accounts on a going concern basis.

(v) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating efficient effectively.

(vi) That the Director had devised proper system to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

The Company's Internal Auditor have conducted periodic audits to provide reasonable assurance that the Company's approved policies and procedures have been followed.

56. ACKNOWLEDGEMENT

Your Director take this opportunity to express their grateful appreciation for the continued support and guidance received from the Government of India especially the Ministry of Steel, Ministry of Mines, Ministry of Environment, Forest & Climate Change, Ministry of Corporate Affairs and from Government of West Bengal and Odisha and other Departments of Government of India and States.

Your Director places on records their sincere thanks to the support extended by the valued and esteemed Customer, Shareholder, Stakeholder, Railway Department, Banks and the Supplier. Directors also wish to convey their appreciation to all the employees of the organization for their valuable contributions and support.

For and on behalf of the Board.

(P. Madhusudan)

Chairman

Date: 20.07.2017

BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

1. The objective of the company is to actively contribute to the social and economic development of the communities in which we operate, so as to promote sustained growth for the society and community and in particulars take up the activities as included in Schedule VII of the Companies Act, 2013.
2. The CSR committee will facilitate the Annual CSR action plan containing the clear terms of reference outlining the key tasks, duration of assignment, allocation of budget for different projects, method of implementation and review. The CSR budget shall be according to Companies Act, 2013.
3. Money unutilized, if any, in the previous year will be carried forward and included in the budget for the next year. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.
4. The Corporate Social Responsibility activities undertaken by the Company will be monitored by the Corporate Social Responsibility Committee duly constituted by the Board. The committee will be responsible to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.
5. During the year 2016-2017, the CSR activities of the Company are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. In addition to it in compliance with the Swachh Bharat Abhiyaan launched by Hon'ble Prime Minister on 2nd October, 2014, OMDC has proceeded for construction of toilets in school and around OMDC mines.

REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1	A brief outline of the company's CSR policy including overview of project or programmes proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programmes.	The CSR activities at OMDC are implemented by the company itself and not through any NGO's. The Company has framed a CSR and Sustainability Policy in compliance with the provisions of the companies Act, 2013 and DPE guidelines and the same is placed on the company's website (www.birdgroup.co.in) and the web link for the same is http://birdgroup.co.in/wp-content/uploads/CSR-and-SP-OMDC.pdf
2	The Composition of CSR Committee	<ol style="list-style-type: none"> 1. Shri K.J. Singh (till 17.12.2016) 2. Shri Abdul Kalam (till 17.12.2016) 3. Shri P. K. Sinha (till 24.05.2017) 4. Shri P. S. Mishra (from 11.08.2017) 5. Shri. V. V. Venu Gopal Rao (from 11.08.2017) 6. Shri. D. P. Mohanty (from 11.08.2017)
3	Average net profit of the company for the last three financial years	Rs 19.03 crores
4	Prescribed CSR Expenditure (2% of the Amount in item 3)	Rs 38.00 lakhs
5	Amount unpaid carried forward of the financial year 2016-2017	32.67 Lakhs
6	Total CSR budget for financial year 2017-2018	Rs 70.67 lakhs (includes unutilized CSR Budget amount carried forward from 2016-17 of Rs 32.67 lakhs)
7	Detail of CSR spend during the financial year- <ol style="list-style-type: none"> 1. Total amount spent for the Financial Year. 2. Amount unspent, if any 3. Manner in which the amount spent during the financial year 	<p>Rs 13.32 lakhs</p> <p>Nil</p> <p>The manner in which the amount is spent is detailed in the annexure.</p>

6.The manner in which the amount spent during the financial year 2016-17 is detailed below:

SL . N O.	PROJE CT	BUDGE T (Rs.)	APPROV AL DATE	TENDER	WORK- ORDER	CURRENT STATUS	EXPECTE D DATE FOR COMPLE TION.	REMARK
01	2 Nos Communi ty Toilet at Roida Mines.	7.00 Lakhs	Approval received on 21-02- 2017	30-03-17 . Due to less participation time was extended up to 24-04-17 and Price -bid opened on 28- 04-17. Only 2 bidders participated.	On 30-05-17 since only 2 bidders participated so to maintain transparency their credentials were cross checked and then only L-1 party was issued work order.	Plastering & fittings of accessories in progress now.	30 th Sept. 2017.	Due to less participation in tendering process in work was delayed after approval.
02	Water Supply at Roida Mines.	7.00 lakhs	Approval received on 21-02- 2017	30-03-17 but due to less participation time will extended up to 24-04-17 and Price -bid opened on 12- 07-17.	After opening of Price-bid credential of parties were cross checked to eliminate possible cartelization as both parties were from same area.	Work order issued on .	30 th Sept. 2017.	Due to less participation of bidders in tender to execute the work.
03	Financi al help to Women Self Help Groups at periphe ral areas.	2.00Lak hs	Approval received on 21-02- 2017	Not applicable	Not applicable	Status verification of enlisted SHGs is going on as provision laid down by NITI AYOG for granting Financial assistance to various SHG.	31 st Oct. 2017.	The SHGs are to comply to circular No .M-11/16(2)/15- VAC dtd 24-08-2016 at Niti-Ayoga portal and to obtain Unique Identifiers before release of assistance.
04	Village- Educati on for training and placeme nt	14.00 Lakhs	Approval received on 21-02- 2017	Correspondenc e has been made with 2-3 institutes at BBSR to identify a secure and reputed Institute to sponsor 10 No's SC/ST students for providing skill development(I TI) training.	Not applicable	In the meantime one Institute namely IL&FS a joint venture with NSDC has started Institute at Barbil near Thakurani Mines who has shown interest for imparting training& placement to about 50 students at Barbil within the same budget when compared to 10 at BBSR.	31 st Oct. 2017.	Due to stoppage of earlier institute at BBSR and starting of new institute at Barbil with scope of more students in same expenditure.The institute at Barbil started only in 2017.

05	Solar Light	1.00 Lakh	Approval received on 21-02-2017	Not applicable	Not applicable	The projected amount has not been incurred due to non identification of areas by authorised local representative of Panchayat. Delay happened as Orissa Panchayat election was held in 2016 but new elected Sarpanch	31 st Nov. 2017.	Due to non identification of areas by Panchayat new panchayat delayed by 6 months after election.
						taken charge after 06 months of election. Thus the area identification got delayed. The work will be completed in 2017.		
06	Medical van for CSR	1.00 Lakh	Approval received on 21-02-2017	Not applicable	Not applicable	The amount projected for maintenance of Medical Van could not be utilized within financial year as the van was is good and running condition.	31 st Dec.2017	As per vehicle schedule and normal wear & tear.

7. The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the company.

P.S. Mishra (Director Production & Planning)	D. P. Mohanty (Chairman - CSR Committee)
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REPORT OF MANAGEMENT DISCUSSION AND ANALYSIS

1. THE INDIAN ECONOMY- INDUSTRIES STRUCTURE AND DEVELOPMENT

The Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 for the month of April 2017 have been released by the Central Statistics Office of the Ministry of Statistics and Programme Implementation.

2. The General Index for the month of April 2017 stands at 117.9, which is 3.1 percent higher as compared to the level in the month of April 2016. The cumulative growth for the period April-March 2016-17 over the corresponding period of the previous year stands at 5.0 percent.

3. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of April 2017 stand at 99.9, 117.9 and 150.6 respectively, with the corresponding growth rates of 4.2 percent, 2.6 percent and 5.4 percent as compared to April 2016. The cumulative growth in these three sectors during April-March 2016-17 over the corresponding period of 2015-16 has been 5.4 percent, 4.9 percent and 5.8 percent respectively.

4. In terms of industries, fourteen out of the twenty three industry groups (as per 2-digit NIC-2008) in the manufacturing sector have shown positive growth during the month of April 2017 as compared to the corresponding month of the previous year (Statement II). The industry group 'Manufacture of pharmaceuticals, medicinal chemical and botanical products' has shown the highest positive growth of 29.1 percent followed by 17.9 percent in 'Manufacture of tobacco products' and 9.5 percent in 'Manufacture of machinery and equipment n.e.c.'. On the other hand, the industry group 'Manufacture of beverages' has shown the highest negative growth of (-) 19.2 percent followed by (-) 15.6 percent in 'Manufacture of motor vehicles, trailers and semi-trailers' and (-) 14.4 percent in 'Manufacture of electrical equipment'.

5. As per Use-based classification, the growth rates in April 2017 over April 2016 are 3.4 percent in Primary goods, (-) 1.3 percent in Capital goods, 4.6 percent in Intermediate goods and 5.8 percent in Infrastructure/ Construction Goods (Statement III). The Consumer durables and Consumer non-durables have recorded growth of (-) 6.0 percent and 8.3 percent respectively.

6. Some important items showing high positive growth during the current month over the same month in previous year include 'Digestive enzymes and antacids (incl. PPI drugs)' (113.4%), 'Printing machinery' (57.2%), 'Meters (electric and non-electric)' (45.1%), 'Bidi' (38.7%), 'Tea' (33.8%), 'HR plates of mild steel' (26.6%), 'Industrial Valves of different types- safety, relief and control valves(non-electronic, non-electrical)' (25.2%), 'HR coils and sheets of mild steel' (24.6%) and 'Steel frameworks or skeletons for construction of towers including pit props' (21.3%).

7. Some important items that have registered high negative growth include 'Shelled cashew kernel, whether or not processed/ roasted/ salted' [(-) 72.9%], 'Axle' [(-) 60.3%], 'API & formulations of hypo-lipidemic agents incl. anti-hyper-triglyceridemics; anti-hypertensive' [(-) 44.8%], 'Rice (excluding basmati)' [(-) 39.9%], 'Plastic jars, bottles and containers' [(-) 39.7%], 'Air filters' [(-) 31.9%], 'Tooth Paste' [(-) 31.8%], 'Air/ gas compressors of all types (incl. compressors for refrigerators)' [(-) 31.6%], 'Stainless steel utensils' [(-) 29.6%], 'Commercial Vehicles' [(-) 28.8%], 'Aerated drinks/ soft drinks (incl. soft drink concentrates)' [(-) 26.5%], 'Beer & other undistilled and fermented alcoholic liqueurs other than wines' [(-) 26.1%] and 'Vaccine for veterinary medicine' [(-) 24.2%].

INDEX OF EIGHT CORE INDUSTRIES (Base: 2011-12=100) April, 2017 BY GOVERNMENT OF INDIA MINISTRY OF COMMERCE INDUSTRY, OFFICE OF THE ECONOMIC ADVISER.

The combined Index of Eight Core Industries stands at 118.6 in April, 2017, which is 2.5 % higher compared to the index of April, 2016. Its cumulative growth during April to March, 2016-17 was 4.8 %.

Coal

Coal production (weight: 10.33 %) declined by 3.8% in April, 2017 over April, 2016. Its cumulative index increased by 3.2% during April to March, 2016-17 over corresponding period of the previous year.

Crude Oil

Crude Oil production (weight: 8.98 %) declined by 0.6 % in April, 2017 over April, 2016. Its cumulative index declined by 2.5 % during April to March, 2016-17 over the corresponding period of previous year.

Natural Gas

The Natural Gas production (weight: 6.88 %) increased by 2.0 % in April, 2017 over April, 2016. Its cumulative index declined by 1.0 % during April to March, 2016-17 over the corresponding period of previous year.

Refinery Products

Petroleum Refinery production (weight: 28.04%) increased by 0.2 % in April, 2017 over April, 2016. Its cumulative index increased by 4.9 % during April to March, 2016-17 over the corresponding period of previous year.

Fertilizers

Fertilizer production (weight: 2.63 %) increased by 6.2 % in April, 2017 over April, 2016. Its cumulative index increased by 0.2 % during April to March, 2016-17 over the corresponding period of previous year.

Steel

Steel production (weight: 17.92 %) increased by 9.3 % in April, 2017 over April, 2016. Its cumulative index increased by 10.7 % during April to March, 2016-17 over the corresponding period of previous year.

Cement

Cement production (weight: 5.37%) declined by 3.7 % in April, 2017 over April, 2016. Its cumulative index declined by 1.2 % during April to March, 2016-17 over the corresponding period of previous year.

Electricity

Electricity generation (weight: 19.85%) increased by 4.7 % in April, 2017 over April, 2016. Its cumulative index increased by 5.9 % during April to March, 2016-17 over the corresponding period of previous year.

2) SWOT ANALYSIS

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> • OMDC is one of the oldest mining companies in India and has established continuous profit making track record. • Good financial resources with consistent profitability and debt free balance sheet. • High level of resource reserve potential. Estimated resource reserves are to the tune of 206 million tons of Iron ore and 44 million tons of Manganese ore. • Market capitalization is very high. OMDC share of ₹1/- reached the peak of ₹2295/- in NSE in April, 2016. • Satisfactory cash reserve. • Intrinsic capacity to expand. • Being a Central PSU, can leverage government support. • Good Railway network, having own Railway Siding. 	<ul style="list-style-type: none"> • All the six mines are inoperative since 2010 for want of clearances for renewal of mining leases. • 3 (three) mining leases namely (1) Dalki Manganese Mines, (2) Kolha Roida Iron & Manganese mines, (3) Thakurani Iron & Manganese Mines, are in the name of Bharat Process & Mechanical Engineers Limited (BPMEL) under the Ministry of Heavy Industry. • Renewal of Dalki and Kolha-Roida mines are rejected by Govt. of Odisha and the matter is sub-judice now. • Bagiaburu, Belkundi & Bhadrasahi mines of OMDC are lapsed and rejected by Govt. of Odisha. The favourable decision of Revisional Authority is under consideration by Govt. of Odisha.

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Govt. of India has permitted M/s OMDC to undertake coal mining from already allotted Brahmani Coal Block for commercial purpose. 	<ul style="list-style-type: none"> • Non renewal of mining leases and non vesting of three major mining leaseholds which are in the name of BPMEL constitutes threat. • Risk factors such as high inflation, low interest regime, rising energy prices, uncertain domestic and international environment, change in government policies could affect the Company's performance adversely. • Disposal of various Court Cases lying with various Courts/Revisional Authorities related to mining lease/financial claims.

3) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

There was no mining activity in any of the mines of OMDC during the year 2016-17. Closure of all six mines, owing to non renewal of mining leases has resulted in nil production and nil dispatch of the company during this year. The company is vigorously pursuing the matter of renewal of mining leases with the State Government and Central Government authorities so as to enable it to resume its mining operations at an early date.

4) OUTLOOK

The six mines of OMDC are in-operative due to non renewal of mining leases and consequent non availability of statutory clearances. The company is committed to put all efforts to sort out the uncertainties and geared also to move forward for sustenance and better future.

5) RISKS AND CONCERNS

Risk is inherent in any business organization and that managing risk effectively is important for the present as well as the future of the company. The company has adopted the Enterprise Risk Management Policy.

6) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

OMDC has put in place all the necessary internal controls which are adequate and effective.

7) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE OF THE COMPANY

The financial performance of the Company is placed here in below:-

a) SALES FROM OPERATIONS AND PROFIT ARE SHOWN IN TABLE I

The details of Sales from operation and Profit after tax for the financial year 2016-17 as compared to previous financial year 2015-16 is represented in **Table I**.

TABLE I				(`In Lacs)
	2016-17	2015-16	Change	Change in %
Sales	NIL	NIL	--	--
Profit before tax and depreciation	1721.17	2622.09	(-)900.92	(-)34.36
Profit before tax	1236.24	1938.32	(-)702.08	(-)36.22
Profit after tax	656.43	1094.25	(-)437.82	(-)40.01

It can be observed from the above table that Company has made a net profit of Rs. 656.43 lacs in the financial year 2016-17 as compared to Rs.1094.25 lacs in the previous financial year 2015-16, recording a decrease of 40.01 %, for declining interest rates in banks.

b) APPROPRIATION

The Company has transferred Rs. 58.62 lacs to the General Reserve during the year 2016- 2017 as compared to previous year's Rs. 106.32 lacs.

c) DIVIDEND

The Board of Directors of the Company recommended a dividend of Rs.1.46545/- per share of Re.1/- for the year ended 31st March, 2017 subject to the approval of the shareholders. The total payment on account of dividend would be Rs. 105.83 lacs inclusive of tax on dividend.

8) INDUSTRIAL RELATION AND HUMAN RESOURCE MANAGEMENT

Men on roll of the Company as on 31st March, 2017 had been 450 as compared to 514 as on 31st March, 2016. IR situations did not arise during the year.

• Strength of SC/ST/OBC as on 31st March, 2017

1. Total number of employees	= 450	(Executive-80, and Non Executive-370)
2. Scheduled Castes amongst them	= 61	(Executive-07, and Non Executive-54)
3. Scheduled Tribes amongst them	= 158	(Executive-02, and Non Executive-156)
4. OBC	= 97	(Executive-18, and Non Executive-79)
5. Total SCs STs and OBC	= 316	
6. Physically Challenged Employee	= 01	

In order to have continued cordial industrial relation, a system of Permanent Negotiation Mechanism (PNM) has been introduced to have meetings with Unions at fixed intervals, for creating the better coordination between the Management and the Workers, and for smooth functioning of the organization and expeditious decisions for the settlement of grievances. Training programme is taken up to enhance the skill-sets of the employees in alignment with their respective roles as required.

9) ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWAL ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

I. Environmental Protection and Conservation

Your Company is taking measures to protect the environment and conserve the resources as per the Environment Management Plan prepared for each mines and the Company's Corporate Plan for 2012-22.

II. Energy Conservation

The Company consumes purchased electricity. Adequate steps are taken by the Company to reduce the electricity consumption.

III. Technology absorption

The Company has not absorbed any new technology during the year.

IV. Foreign Exchange Earnings and Outgo:

There was no transaction in foreign exchange during the year.

10) CORPORATE SOCIAL RESPONSIBILITY

The Company is actively involved in various CSR initiatives as per Companies Act & DPE guidelines. Company has taken up projects under CSR during the year. Detailed information is disclosed in the Directors' Report.

11) CAUTIONARY STATEMENT

Statements made in the Director's Report and Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, predictions etc may be "forwarding-looking statements" within the meaning of applicable laws, rules and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic markets in which the Company operates, changes in the Government regulations, tax laws, litigation, industrial relations and other statutes and incidental factors. Readers are cautioned not to place undue conviction on the forward looking statements.

CORPORATE GOVERNANCE REPORT

“Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense.”

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance teams, Auditors and the Senior Management. Above all, OMDC feels honoured to be integral to India's social development. Details of several such initiatives are available in the Report on Corporate Social Responsibility.

Corporate Governance at OMDC is based on the following main principles:

In essence we believe that good corporate governance consists of a system of structuring, operating and controlling a company such as to achieve the following:

1. A culture based on a foundation of sound business ethics.
2. Fulfilling the long-term strategic goal of the owners while taking into account the expectations of all the key stakeholders, and in particular consider and care for the interests of employees, past, present and future work to maintain excellent relations with both customers and suppliers take account of the needs of the environment and the local community.
3. Maintaining proper compliance with all the applicable legal and regulatory requirements under which the company is carrying out its activities.
4. Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
5. Independent verification and safeguarding integrity of the Company's financial reporting.
6. A sound system of risk management and internal control.
7. The annual secretarial audit reports are placed before the Board, is included in the Annual Report.
8. Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
9. Transparency and accountability.
10. Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

We believe that a organization must be structured in such a way that all the above requirements are catered for and can be seen to be operating effectively by all the interest groups concerned.

ETHICS POLICIES

At OMDC, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, OMDC have adopted various codes and policies to carry out duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Directors and Senior Management Personnel
- Code of Ethics and Business Conduct for the Employees of OMDC
- Risk Management Policy
- Integrity Pact to enhance transparency in business
- Whistle Blower Policy/ Vigil Mechanism.
- Conduct, Discipline and Appeal Rules for employees.
- Policy on determination of materiality of events or information
- Code of Practice and Procedure for fair Disclosure.

Based on the aforesaid objectives and in compliance with the disclosure requirements of SEBI (LODR) Regulations, 2015 executed with the Stock Exchanges as well as the Guidelines on Corporate Governance for Public Sector Enterprises, issued by the Department of Public Enterprises (DPE), the detailed Corporate Governance Report of OMDC is as follows:

2. BOARD OF DIRECTORS

As on 31st March, 2017 the Board of OMDC comprises of six directors, headed by Ex-Officio Non-Executive Chairman, Ex-Officio Non-Executive Director, Two Whole Time Directors, a Government Nominee Director, and one Non-Executive Nominee Director nominated by Life Insurance Corporation of India (LIC). The composition of Board of OMDC is not in conformity with SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance, as there are no Independent Directors as against requirement of six.

a. Composition and category of Board of Directors of OMDC

Category wise Composition of the Board of Directors as on 31st March, 2017 is as follows:

Ex-Officio Non-Executive Chairman

Shri Ponnappalli Madhusudan

Ex-Officio Non-Executive Director

Shri Dasari Nageswara Rao

Whole Time Directors

Shri Prabhat Kumar Sinha, Managing Director

Shri Prem Sagar Mishra, Director (Production & Planning)

Government of India Nominee Director

Smt. Urvilla Khatri, Joint Secretary, Ministry of Steel.

Non-Executive Independent Directors

Shri K. J. Singh (up to 17.12.2016)

Shri Abdul Kalam (up to 17.12.2016)

Non-Executive Nominee Director

Shri. R. G. Shinde (Nominee Director of LIC) (up to 21.03.2017)

Managing Director and Functional Director are appointed by Government of India for a period of five years from the date of his assumption of charge of the post or till the age of superannuation or until further orders whichever is earliest. The Directors are initially appointed by the Board as Additional Director in terms of the provisions of the Companies Act, 2013 and thereafter by the shareholders in the Annual General Meeting.

Government Nominee Director representing Ministry of Steel, retire from the Board on ceasing to be official of Ministry of Steel, Government of India. Non Executive Directors (Independent) are normally appointed for a tenure of three years.

b. Board Meeting Procedures

Board Meeting Procedure

(i) The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long term interests are being served. The Board has constituted four Committees, namely Audit Committee, Corporate Social Responsibility Committee, and Stakeholders' Relationship Committee, Nomination & Remuneration Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

ii) The meetings are convened by giving appropriate advance notice after seeking approval of the Chairman of the Board/ Committee as the case may be. To address specific urgent needs, meetings are also being called at a shorter notice. In case of exigencies or urgency resolutions are also passed by way of circulation.

(iii) Detailed agenda note containing the management reports and other explanatory statements are circulated in advance in the agenda format amongst the Directors for facilitating meaningful, informed and focused decisions at the meetings. Where any document or the agenda of the Board/Committee is of confidential nature, the same is tabled with the approval of Chairman. Sensitive subject matters are discussed at the meeting without written material being circulated. In special and exceptional circumstances, additional or supplemental item(s) on the agenda are permitted.

(iv) Presentations are made to the Board/ Committee covering Finance, Operations, major Business Segments, Human Resources, Marketing, Legal whenever required.

Information placed before the Board of Directors

As per Regulation 17(7) of SEBI (LODR) Regulations, 2015 Part A of Schedule-II, the Board of Directors has complete access to minimum information within the Company. The minimum information, inter alia, regularly supplied to the Board includes:

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Quarterly results for the Company and its operating divisions or business segments.
- D. Minutes of meetings of audit committee and other committees of the board of directors.
- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- H. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- J. Details of any joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc

c. Compliance

Company Secretary prepares agenda, notes on agenda, minutes of the meeting(s) etc, as applicable to the Company in accordance with Secretarial Standard (SS-1 & 2)

d. Attendance of each Director at the Board Meeting, Last AGM, Number of Directorship and Membership/Chairmanship of Committee

The details of the Directors with regard to their category, directorship in other companies, and membership/ chairmanship in committees of the Board of other companies, Attendance at Board Meetings and Annual General Meetings during 2016-17 are as follows:

i) Ex-officio Non- Executive Chairman

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetings held during his/her tenure	No. of Board Meetings Attended	Attendance in last AGM (21.09. 2016)	**No. of Directorship in other Companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
Shri Ponnappalli Madhusudan, DIN:02845996 (Ex-officio Non-Executive Chairman)	6	6	YES	4	0	0	0	Appointed from 9.1.2014 & continuing till date.

ii) Ex-Officio Non-Executive Director

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetings held during his/her tenure	No. of Board Meetings Attended	Attendance in last AGM (21.09. 2016)	**No. of Directorship in other companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
Shri Dasari Nageswara Rao DIN:06914797 (Ex-officio Non-Executive Director)	6	4	YES	1	0	0	0	Appointed from 02.08.2014 & retired on 31.07.2017.
Shri V.V. Venu Gopal Rao DIN:02950920 (Non-Executive Director)	NA	NA	NA	1	0	0	1	Appointed w.e.f 31.07.2017.

iii) Whole Time Directors

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetings held during his/her tenure	No. of Board Meetings Attended	Attendance in last AGM (21.09.2016)	**No. of Directorship in other companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
Shri Prabhat Kumar Sinha, DIN:06872165 (Managing Director)	6	6	Yes	0	0	0	0	Appointed as Managing Director from 4.2.2015 and continuing till date.
Shri Prem Sagar Mishra DIN:07379202 Director(Production & Planning)	6	6	Yes	0	0	0	0	Appointed from 16.11.2015 & continuing till date

iv) Government of India Nominee Director

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetings held during his/her tenure	No. of Board Meetings Attended	Attendance in last AGM (21.09.2016)	**No. of Directorship in other Companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
Smt. Urvilla Khati DIN:07011413 (Government of India Nominee Director)	6	6	NO	4	0	0	0	Appointed from 29.05.2015 & Ceased to exist w.e.f 15.06.2017
Smt. Pally Kundu DIN:07871558 (Government of India Nominee Director)	N.A	N.A	N.A	0	0	0	0	Appointed w.e.f 12.07.2017

v) Non-Executive Independent Director

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetin gs held during his/her tenure	No. of Board Meeting s Attende d	Attendance in last AGM (21.09. 2016)	**No. of Directorship in other companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
	5	5	YES	0	0	0	0	Appointed from 18.12.2013 & Ceased to exist w.e.f 17.12.2016.
Shri Abdul Kalam, DIN: 01869712 (Non -Executive Independent Director)								
Shri Kumar Jitendra Singh, DIN: 00626836 (Non -Executive Independent Director)	5	5	YES	2	0	0	0	Appointed from 18.12.2013 & Ceased to exist w.e.f 17.12.2016.

vi) Non-Executive Nominee Director

Name & Designation	Financial Year 2016-17 Attendance at			As on date				Remarks
	No. of Board Meetings held during his/her tenure	No. of Board Meetings Attended	Attendance in last AGM (21.09. 2016)	**No. of Directorship in other Companies and partnership in firms		*No. of Committee position held in other Public Limited Companies		
				Director	Partner	Chairman	Member	
Shri R.G.Shinde DIN:03106953 (Nominee Director of LIC)	6	4	Yes	1	0	0	0	Ceased to exist w.e.f 21.03.2017
Shri. D.P.Mohanty DIN:07819143 (Nominee Director of LIC)	N.A	N.A	N.A	0	0	0	0	Appointed from 15.05.2017

* In accordance with Regulation 26(1) (b) of SEBI (LODR) Regulations, 2015, Chairmanship/ Membership of only the Audit Committees and Stakeholders Relationship Committees of all Public limited companies whether Listed or not in which he/she is a Director have been considered.

** The other Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies, Foreign Companies, Section 8 Companies under Companies Act, 2013.

Notes : (Directors are not related to each other;

- (ii) The Directorships/ Committee Memberships are based on the latest disclosure received from Directors;
- (iii) None of the Director is a Member of more than 10 **Committees** or Chairman of more than 5 Committees, across all the Listed entities in which he is a Director.

e. Meetings of Board & attendance during the year

During the year 2016-2017, six (6) Board Meetings were held, the details of which are given below:

Sl. No.	Board Meeting No.	Board Meeting Date	Board Strength	Number of Directors Present
1	39	26.05.2016	8	8
2	40	20.07.2016	8	7
3	41	23.08.2016	8	7
4	42	09.09.2016	8	7
5	43	09.12.2016	8	8
6	44	13.02.2017	6	5

3. COMMITTEES

The Board committees focus on certain specific areas and make informed decisions with the authority delegated to them. Each committee of the Board functions according to its charter that defines its composition, scope, power and role in accordance with Companies Act, 2013, SEBI(LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance. Presently, the Company is having following Board Committees:

3.1 AUDIT COMMITTEE

1. Terms of reference:

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the Financial Reports; the Company's systems of internal controls regarding finance, accounting and legal compliance that Management and the Board have established; and the Company's auditing, accounting and financial reporting process generally.

The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors, discusses their findings, suggestions and other related matters and reviews major Accounting Policies followed by the Company. The Audit Committee reviews with management, the Quarterly and Annual Financial Statements before their submission to the Board.

The minutes of the Audit Committee meetings are circulated to the Board, discussed, and taken note of.

a. Composition, Name of Members and Chairperson

The Audit Committee of OMDC consists of the following Directors:-

1. Shri Abdul Kalam, Independent Director and Chairman (till 18.12.2016)
2. Shri K. J. Singh, Independent Director and Member (till 18.12.2016)
3. Shri V. V. Venu Gopal Rao, Non-Executive Director and Member (w. e. f 08.08.2017)
4. Shri D. P. Mohanty, Non-Executive Nominee Director and Chairman (w. e. f 08.08.2017)
5. Shri. P. S. Mishra, Whole Time Directors and Member (w. e. f 08.08.2017)

The Company Secretary shall act as the Secretary to the Audit Committee.

b. Meetings of Audit Committee & attendance during the year

During the year under review, 6(six) meetings of the Audit Committee were held. The details of attendance of the Members are indicated below:

Sl. No.	Meeting No.	Meeting Date	Strength of Audit Committee	Number of Members Present
1	ACM/2/2016	05.04.2016	3	3
2	ACM/3/2016	26.05.2016	3	3
3	ACM/4/2016	20.07.2016	3	3
4	ACM/4/2016	23.08.2016	3	3
5	ACM/5/2016	09.09.2016	3	2
6	ACM/6/2016	08.12.2016	3	3

c. Attendance of each Director at the Audit Committee Meetings

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri Abdul Kalam	6	6
2	Shri K.J. Singh	6	6
3	Shri D.N. Rao	6	5

3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

A Stakeholders' Relationship Committee is constituted to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, .etc.

a. Composition, Name of Members and Chairperson

The Stakeholders Relationship Committee of OMDC consists of the following Directors:

1. Shri Abdul Kalam, Independent Director, Chairman (till 18.12.2016)
2. Shri K.J Singh, Independent Director and Member (till 18.12.2016)
3. Shri P.K. Sinha, Managing Director and Member (ceased to exist from 23.05.2017)
4. Shri V.V. Venu Gopal Rao, Non-Executive Director and Chairman (w. e. f 11.08.2017)
5. Shri D.P. Mohanty, Non-Executive Nominee Director and Member ((w. e. f 11.08.2017)
6. Shri. P.S. Mishra, Whole Time Directors and Member (w. e. f 11.08.2017)

b. Meeting of Stakeholders Relationship Committee & attendance during the year

During the year under review, 2(two) meetings of the Stakeholders Relationship Committee were held. The details of attendance of the Members are as follows:

Sl. No.	Meeting No.	Meeting Date	Strength of the Committee	Number of Members Present
1	SRCM/2/2016	26.05.2016	3	3
2	SRCM/3/2016	08.12.2016	3	3

c. Attendance of each Member at the Stakeholders Relationship Committee Meetings

Sl. No.	Name of the Director	No. of meetings held during his tenure	No. of meetings attended
1	Shri Abdul Kalam	2	2
2	Shri K.J. Singh	2	2
3	Shri P.K. Sinha	2	2

3.3 NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors will reconstitute the Nomination and Remuneration Committee at the ensuing Board Meeting.

a. Composition, Name of Members and Chairperson

The present composition of the Nomination & Remuneration Committee is as under:

1. Shri Abdul Kalam, Independent Director, Chairman (till 18.12.2016)
2. Shri K.J Singh, Independent Director and Member (till 18.12.2016)
3. Shri D.P. Mohanty, Non-Executive Nominee Director and Chairman (w. e. f 11.08.2017)
4. Shri. P.S. Mishra, Whole Time Directors and Member (w. e. f 11.08.2017)
5. Shri V. V. Venu Gopal Rao, Non-Executive Director and Member (w. e. f 11.08.2017)

The scope, powers and terms of reference of the Nomination & Remuneration Committee are as per the directives issued by DPE ,SEBI(LODR)Regulations,2015 , the Companies Act,2013 etc.

b. During the year under review, no meetings of the Nomination and Remuneration Committee were held.

OMDC being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors are determined by Government through its administrative Ministry, Ministry of Steel. Non- executive Part -time Official Directors(Independent) does not have any pecuniary relationship or transaction with the company except their sitting fees/ reimbursement in relation to meeting of the Board / committee attended by them.

The non-executive Directors are paid sitting fees as approved by the Board within the ceiling fixed under the Companies Act, 2013 and as per guidelines issued by the Government of India.

The details of remuneration paid to Functional Directors during the financial year 2016-17 are as follows:

Sr. No.	Name of the Directors	Salary Rs.	Benefits Rs.	PF and other funds Rs.	Performance Linked Incentives Stock Option*	Total Rs.
1.	P.K.Sinha	22,35,814	2,86,157	4,59,978	NA	29,81,949
2.	P.S.Mishra	16,80,000	1,11,484	3,69,600	NA	21,61,084

During the year under review, the Non-Executive Independent Directors/ Nominee Director were paid sitting fees of Rs 7500/- per meeting for attending the meeting of the Board, any Committee meeting or otherwise incurred in the execution of their duties as Director.

Government Director, Ex-Officio Non-Executive Directors and Functional Directors are not paid sitting fees for attending the meeting of the Board or any Committee meeting thereof.

During the year, the Non Executive Independent Directors/ Nominee Director received sitting fees for attending the meetings of the Board/Committee etc. as follows:

Name of the Independent Directors/ Nominee Director	Sitting Fees (in Rs)
Shri Abdul Kalam	1,50,000
Shri K.J. Singh	1,35,000
Shri R.G.Shinde	37,500
TOTAL	3,22,500

3.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner, whereby organisations serve the interests of the society by taking responsibility for the impact of their activities. The Board of Directors of the Company has constituted Corporate Social Responsibility Committee and has also approved Corporate Social Responsibility Policy of the Company

a. Composition, Name of Members and Chairperson of the CSR Committee :

The CSR Committee of OMDC consists of the following Directors :

1. Shri K.J. Singh, Independent Director, Chairman of the Committee (till 17.12.2016)
2. Shri Abdul Kalam, Independent Director and Member (till 17.12.2016)
3. Shri P.K. Sinha, Managing Director and Member (ceased to exist from 23.05.2017)
4. Shri D.P. Mohanty, Non-Executive Nominee Director and Chairman (w.e.f 11.08.2017)
5. Shri V.V. Venu Gopal Rao, Ex-officio Non-Executive Director and Member (w.e.f 11.08.2017)
6. Shri. P.S. Mishra, Whole Time Directors and Member (w.e.f 23.05.2017)

b. Meetings and Attendance of CSR Committee during the year

During the year 2016-2017, four (4) Meetings of the CSR Committee were held. The details of attendance of the Members are indicated below:

Sl. No.	Meeting No.	Meeting Date	Strength of CSR Committee	Number of Members Present
1	CSR/1/2016	26.05.2016	3	3
2	CSR/2/2016	20.07.2016	3	3
3	CSR/4/2015	08.12.2016	3	3

c. Attendance of each Member at the CSR Committee meetings

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Shri K.J Singh, Independent Director and Chairman of the Committee	3	3
2.	Shri Abdul Kalam, Independent Director and Member	3	3
3.	Shri P.K. Sinha, Managing Director and Member	3	3

4. SHARE TRANSFER COMMITTEE

In order to render better services to the Shareholders, the Board has constituted a Share Transfer Committee to consider and approve all related issues of Shares and Share transfers. The Members of the Committee are as under:-

S.No.Name of Members of the Committee

1. Shri P. K. Sinha , Managing Director and Chairman
2. Shri S. Chakraborty, General Manager(Personnel) and Member
3. Shri Arijit Chakravarty , CFO and Member
- 4 Smt. S. Das, Company Secretary (till 05.07.2016)
5. Smt. Anu Singh, CS and Member.(from 14.10.2016)

Share transfers are generally registered within a maximum period of 15 days from the date of receipt provided the documents are complete in all respects. All share transfers and transmissions are first processed by the Transfer Agent and submitted to the "Share Transfer Committee" for approval thereafter.

The Company obtains a certificate from a Practicing Company Secretary on half yearly basis to the effect that all the share transfers are completed in the statutorily stipulated period. In compliance with Regulation 40(10) of SEBI (LODR) Regulations, 2015 , a copy of the certificate so received is submitted to the stock exchanges, where the shares of the Company are listed.

The Company has appointed M/s CB Management Services (P) Limited as a common agency for share registry work (both physical & electronic) in compliance of circular No. D&CC/FITTC/CIR15/2002 dated 27th December, 2002 issued by SEBI, for all matters connected with transfers and transmissions of shares and also dematerialization of shares and other related functions.

a) During the year five (5) meeting of Committee was held. The details of attendance of the Members are indicated below:

Sl.No.	Meeting No.	Meeting Date	Strength of STC	No. of Members present
1.	STC/2/2016	31.05.2016	4	4
2.	STC/3/2016	1.07.2016	4	4
3.	STC/4/2016	14.10.2016	4	4
4.	STC/5/2016	21.10.2016	4	4
5.	STC/1/2017	24.01.2017	4	4

b) Attendance of each Member at the Share Transfer Committee meetings

Sl. No.	Name of the Member	No. of meetings held	No. of meetings attended
1.	Shri P.K. Sinha (Managing Director)	5	5
2.	Shri S. Chakraborty, General Manager(Personnel)	5	5
3.	A. Chakravarty , CFO	5	5
4.	Smt. S. Das, Company Secretary	2	2
4.	Smt. A. Singh, Company Secretary	3	3

c) During the year 2016-2017 the following cases of transfer / transmission / issue of duplicate shares were received and processed:

Particulars	Number of Cases	Number of Equity Shares
Transfer of shares	1	50
Transmission of shares	3	10800
Issue of duplicate share certificates	NIL	NIL

d)Details of Dematerialisation of Physical Shares and Rematerialisation of Shares during the period from 1st April, 2016 to 31st March, 2017

<u>PARTICULARS</u>	<u>DEMAT</u>		<u>REMAT</u>	
	<u>NO.OF CASES</u>	<u>NO OF EQUITY SHARES</u>	<u>NO. OF CASES</u>	<u>NO OF EQUITY SHARES</u>
NSDL	3	38500	NIL	NIL
CDSL	3	7850	NIL	NIL
TOTAL	6	46350	NIL	NIL

e) Name and designation of the Compliance Officer : Mrs. Anu Singh, Company Secretary

f) Details in respect of shareholders' complaints in SEBI Complaint Redressal System (SCORES):

Number of shareholders complaints received during the year -	4
Number of complaints redressed during the period -	4
Number of pending complaints as on 31.03.2017	Nil

During the financial year ended 31st March, 2017, the Company and the RTA have attended investor grievances expeditiously except for the cases constraint by disputes or legal impediment.

g) Pursuant to Regulation 62(1)(d) of SEBI(LODR) Regulations, 2015 the Company's e-mail for grievance redressal purpose is info.birdgroup@nic.in where complaints can be lodged by the investors.

5. GENERAL BODY MEETINGS

i. The details of the location and time of Annual General Meetings (AGMs) of OMDC held during last three years are as under:

Year	Venue	Date	Time
2013-14	“PURBASHREE AUDITORIUM” Eastern Zonal Cultural Centre, Bhartiyam Cultural Multiplex, IB-201, Sector III, Salt Lake City, Kolkata-700106	24-09-2014	11:00 A.M.
2014-15	“PURBASHREE AUDITORIUM” Eastern Zonal Cultural Centre, Bhartiyam Cultural Multiplex, IB-201, Sector III, Salt Lake City, Kolkata-700106	22-09-2015	11.00 A.M.
2015-2016	“PURBASHREE AUDITORIUM” Eastern Zonal Cultural Centre, Bhartiyam Cultural Multiplex, IB-201, Sector III, Salt Lake City, Kolkata-700106	21-09-2016	11.00 A.M.

ii. Details of Special Resolutions passed in last three Annual General Meetings : NIL

iii. Details of Extra Ordinary General Meeting held during the last three years: NIL

iv. Details of Resolutions passed last year through Postal Ballot : NIL

v. Person who conducted the postal ballot exercise: NIL

vi. Whether any special resolution is proposed to be conducted through postal ballot: NIL

vii. Procedure for postal ballot : NIL

6. DISCLOSURES:

- a. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The policy on related party transactions has been placed on the Company's website. (<http://birdgroup.co.in/wp-content/uploads/POLICY-ON-MATERIALITY-OF-RELATED-PARTY-TRANSACTIONS.pdf>)
- b. There was no case of non-compliance of provisions of Companies Act, 2013 or Rules & Regulations of Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets, during the last three years except non compliance of appointment of Woman Director on the Board from February, 2015 to May, 2015 for which SEBI had imposed a nominal fine.
- c. Non- executive Directors are not holding any shares or convertible instruments in the Company.
- d. No personnel of the Company have been denied access to the Audit Committee.
- e. The Company has a Whistle Blower Policy and the same is uploaded on its website (<http://birdgroup.co.in/wp-content/uploads/Whistle-Blower-Policy0001.pdf>). The Company has a competent and independent vigilance department, headed by Chief Vigilance Officer (CVO), its officer for monitoring any unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. All the personnel are having the access to the vigilance department for their complaints, grievances etc.
- f. In January, 2015 SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The new code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Insiders" and the " Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre- clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.
- g. The Company publishes the quarterly unaudited/audited financial results in leading National English Newspaper as mentioned under Heading " Means of Communication"

The unaudited/audited financial results are also posted on Company's website. The Company communicates official news, major events, performances, achievements, presentations etc. through electronic media, newspapers and also on website.
- h. It is always Company's endeavor to present unqualified financial statements.
- i. The Company has complied with the requirement of Corporate Governance as per SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance except provisions related to composition of Board of Directors. OMDC is a Government Company and Directors are appointed by Government of India and such appointments are pending.

7. OTHER DISCLOSURES

- a. The Company has formulated and implemented Code of Conduct for all Board Members and Senior Management of the Company in compliance with Regulation 17(5) of SEBI(LODR)Regulations,2015. The same has also been posted at the Company's website at (<http://birdgroup.co.in/wp-content/uploads/coc-omdc.pdf>). All Board Members and Senior Management personnel affirm compliance with the code on annual basis. A declaration to this effect for the relevant year duly signed by Managing Director of the Company is annexed with this report.
- b. The certification by CEO and CFO in compliance with Regulation 33(2) (a) of SEBI (LODR) Regulations, 2015 to the Board is appended to this report.
- c. The Company has also laid down the Enterprise Risk Management Policy and Procedures thereof for periodically informing Board Members about the risk assessment and minimizing procedures. (<http://birdgroup.co.in/wp-content/uploads/OMDC-Risk-Management-policy.pdf>)
- d. In preparation of the Financial Statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies have been set out in the notes to accounts.
- e. None of the Directors inter-se related to other Directors of the Company.
- f. The details of the Presidential Directives received by the Company and the compliance thereof have been provided in the Directors' Report.
- g. There have been no public issues, right issues or other public offerings during the past five years. The Company has not issued any GDR's/ ADR's/Warrants or any convertible instruments.
- h. The Board has periodically reviewed the Compliance Reports of all applicable laws to the Company and has ensured the compliance of all the applicable laws.
- i. Being a PSU, appointment/ nomination of majority of the Directors are done by Government of India through Ministry of Steel. The Company has not adopted any mechanism for evaluating individual performance of Non-Executive Board Members.
- j. Other than the sitting fees paid (Rs. 7500/ per day per Director), Part time Non-Executive Directors have no pecuniary relationship or transactions with the Company during the year under report.
- k. Items of expenditure debited in books of accounts, which are not for the purposes of the business : Nil
- l. Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management : Nil
- m. The Company has not granted any Options during the financial year 2016-17.

8. COMPLIANCE WITH NON-MANDATORY REQUIREMENT

The Company has complied with and adopted the following non-mandatory requirements of SEBI (LODR) Regulations, 2015 are appended below:-

The Board:

The Chairman is Ex-Officio Non-Executive Chairman. Chairman's office is separate from that of the Managing Director & CEO and no reimbursement of his expenses is made by the Company.

Separate posts of Chairman and CEO:

The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director & CEO.

Shareholders' Rights:

The Company's financial results are published in the newspapers and also posted on its own website. Hence, the Financial Results are not sent to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

Audit Qualification:

As mentioned earlier, the Company's Standalone Financial Statements for the year ended March, 31, 2017 are qualified.

Reporting of Internal Auditor

The Internal Audit cell of OMDC report directly to the Audit Committee through CFO in all functional matters.

Meeting of Non-official (Independent Director)

In compliance with DPE vide Office Memorandum No.F.No.16(4)/2012-GM dated 28th December, 2012 and Companies Act, 2013 a separate meeting of Non-official (Independent) Directors was held on 09th December, 2016 without the attendance of Functional, and Government Directors and Members of Management.

9. HOLDING/SUBSIDIARY COMPANY

The Orissa Minerals Development Company Limited (OMDC) is a subsidiary of Eastern Investments Limited (EIL) and EIL is subsidiary of Rashtriya Ispat Nigam Limited (RINL). Thus OMDC became subsidiary of RINL.

OMDC does not have any subsidiary company.

10. MEANS OF COMMUNICATION

- i. **Quarterly Results:** The Company publishes the quarterly unaudited/ audited financial results in leading National English Newspaper i.e. "Financial Express" in English on an all India basis and "Khabar 365 Din, Kolkata" in Bengali (vernacular) language from Kolkata. (<http://www.birdgroup.co.in/omdc/financial-results/>).
- ii) **News Releases, Presentation, etc.:** Company communicates major achievements and important events taking place in the Company through Press, Electronic Media and also on its website (<http://www.birdgroup.co.in/omdc/press-releases/>).

iii) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and other entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual report and is displayed on the Company's website.

iv) **Chairman's Communication:** Printed copy of the Chairman Speech is distributed to all the shareholders at the Annual General Meetings. The same is also attached with the Annual Report of the Company.

v) **Reminder to Investors:** Reminders for unclaimed dividend are sent to the shareholders as per records every year.

vi) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for Corporates. The quarterly compliances are mandatorily filed electronically on NEAPS.

vii) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are : Centralised database of all complaints, online upload of Action Taken Reports (ATR) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

viii) **Green Initiative in the Corporate Governance:**

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling annual general meeting, Corporate Governance Report, Directors Report, audited Financial statements, auditors report, dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company. Shareholders are requested to register their email id with Registrar and transfer agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

11. GENERAL SHAREHOLDER INFORMATION

i. AGM Date, Time and Venue:

Date	Time	Venue
15th September, 2017	10.00 A.M	"PURBASHREE AUDITORIUM" Eastern Zonal Cultural Centre, Bhartiyam Cultural Multiplex, IB-201, Sector- III, Salt Lake, Kolkata-700 106

ii) Financial Calendar for 2016-17

Sl. No.	Approval / Adoption of	On or before
1st quarter results	(Unaudited)	on or before 14.09.2016
2nd quarter results	(Unaudited)	on or before 14.12.2016
3rd quarter results	(Unaudited)	on or before 14.02.2017
4th quarter results	(Audited)	on or before 30.05.2017
Next Annual General Meeting within September		30th September, 2017

- iii) Date of Book Closure : From 09th to 15th Sept. 2017 (both days inclusive)
- iv) Dividend Payment Date : Within 30 days from the date of declaration of dividend
- v) Last date of submission of : On or before 1st September, 2017 to
ECS mandate/ bank particulars CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700019
- vi) Listing on Stock Exchanges

OMDC shares are listed on -

National Stock Exchange (Exchange Plaza, Plot No. C/1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, Calcutta Stock Exchange (7, Lyons Range, Kolkata-700001) and got trading permission under permitted category at Bombay Stock Exchange (1st Floor, Phiroze Jee, Jeebhoy Towers, Bombay Samachar Marg, Mumbai - 400001). Listing fees for the year 2017-18 has been paid to the Stock Exchanges.

vii) Stock Code

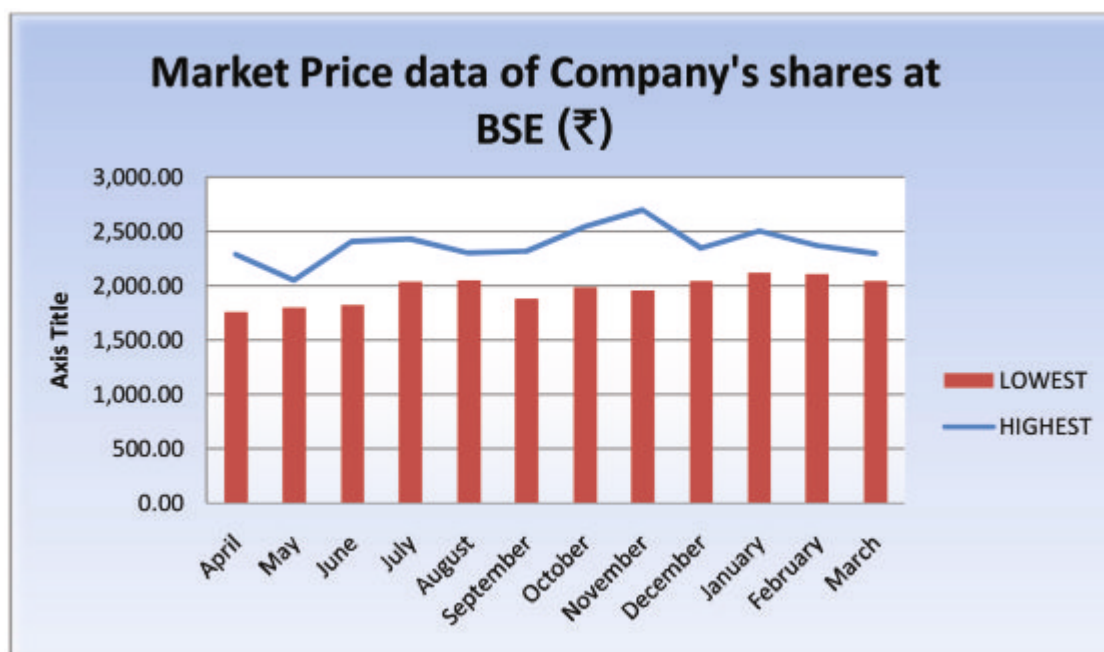
Sl. No.	Name of the Stock Exchange where Company's Equity Shares are Listed	Scrip Code / Company Code
1	National Stock Exchange, Mumbai	ORISSAMINE
2	Calcutta Stock Exchange, Kolkata	25058
3	Bombay Stock Exchange, Mumbai	590086

viii) Market price data: The monthly high & low price of the shares of OMDC for the period from April, 2016 to March, 2017.

Note: Fully paid up equity shares of F.V. ₹ 1/- each against every 1 fully paid up equity shares of F.V. ₹ 10/- were allotted to shareholders on 31.10.2012 under new ISIN INE725E01024 of the company. The existing equity shares of face value of ₹ 10/- each bearing distinctive nos.000001 to 600000 stand cancelled w.e.f 31st October, 2012.

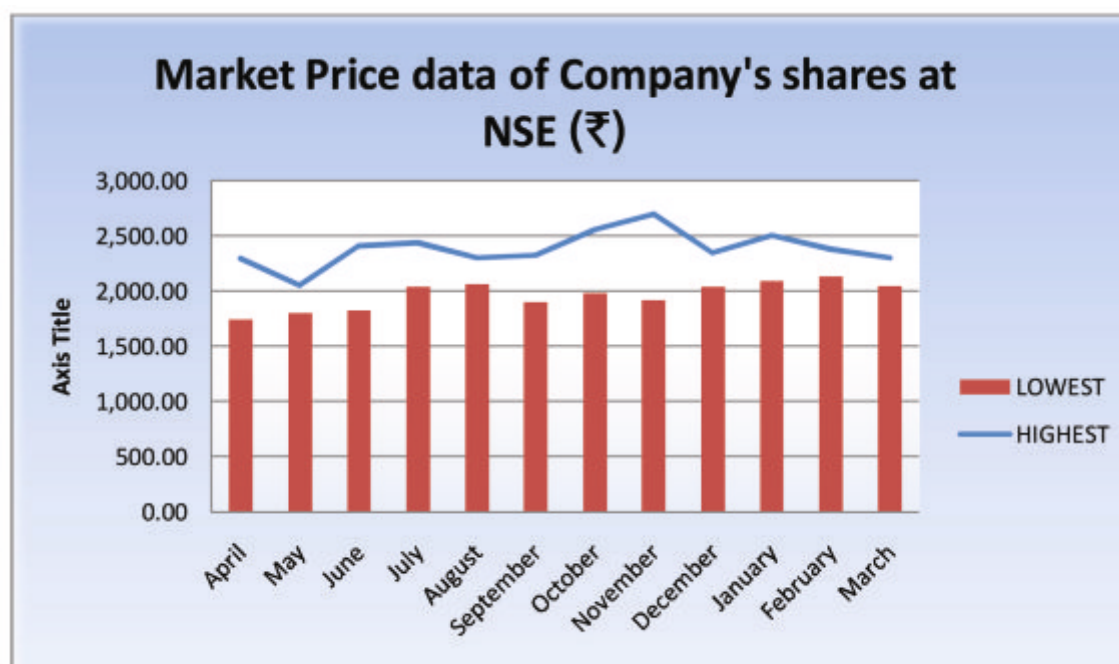
A) Market price data of the Company's share at Bombay Stock Exchange Limited (BSE):

Year	Month	Highest (₹)	Lowest (₹)
2016	April	2,291.00	1,760.00
2016	May	2,054.75	1,800.00
2016	June	2,410.00	1,823.15
2016	July	2,429.00	2,036.10
2016	August	2,303.20	2,051.25
2016	September	2,320.00	1,880.00
2016	October	2,544.00	1,985.00
2016	November	2,695.00	1,961.00
2016	December	2,345.00	2,044.85
2017	January	2,503.55	2,121.10
2017	February	2,370.00	2,105.00
2017	March	2,294.00	2,045.00



B) Market price data of the Company's share at National Stock Exchange (NSE)

Year	Month	Highest (₹)	Lowest (₹)
2016	April	2,295.00	1,741.25
2016	May	2,050.00	1,800.00
2016	June	2,408.00	1,820.15
2016	July	2,435.00	2,040.00
2016	August	2,299.00	2,061.00
2016	September	2,323.00	1,900.00
2016	October	2,550.00	1,982.00
2016	November	2,694.00	1,916.25
2016	December	2,344.90	2,040.00
2017	January	2,500.00	2,088.05
2017	February	2,374.90	2,132.20
2017	March	2,297.20	2,046.00



C) Performance in comparison to broad-based indices on BSE and NSE for 2016-17

Month	NSE		BSE	
	S&P CNX NIFTY ()	OMDC ()	SENSEX ()	OMDC ()
April, 2016	7,992.00	2,295.00	26,100.54	2,291.00
May, 2016	8,213.60	2,050.00	26,837.20	2,054.75
June, 2016	8,308.15	2,408.00	27,105.41	2,410.00
July, 2016	8,674.70	2,435.00	28,240.20	2,429.00
August, 2016	8,819.20	2,299.00	28,532.25	2,303.20
September, 2016	8,968.70	2,323.00	29,077.28	2,320.00
October, 2016	8,806.95	2,550.00	28,477.65	2,544.00
November, 2016	8,669.60	2,694.00	28,029.80	2,695.00
December, 2016	8,274.95	2,344.90	26,803.76	2,345.00
January, 2017	8,672.70	2,500.00	27,980.39	2,503.55
February, 2017	8,982.15	2,374.90	29,065.31	2,370.00
March, 2017	9,218.40	2,297.20	29,824.62	2,294.00

ix) Liquidity

The Company's Equity Shares are among the most liquid and actively traded shares on the Indian Stock Exchanges. OMDC shares are one of the frequently traded shares, both in terms of the number of shares traded, as well as value. The highest trading activity is witnessed on the NSE and BSE.

x) Registrar and Share Transfer Agent (RTA)

CB Management Services (P) Ltd
P-22, Bondel Road, Kolkata - 700019.
Ph : (033) 4011-6700
Fax : (033) 4011-6739
e-mail : rta@cbmsl.com

xi) Depositories with whom Company has entered into agreement

Name	ISIN CODE
Central Depository Services (India) Limited (CDSL)	INE 725E01024
National Securities Depository Limited (NSDL)	INE 725E01024

xii) Corporate Identity Number

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L51430WB1918GOI003026.

xiii) Payment of Depository Fees

Annual Custody/ Issuer fee for the year 2016-17 has been paid by the Company to NSDL and CDSL.

xiv) No. of Shares held in dematerialized and physical mode as on 31st March, 2017

Particulars	Shares	% to Share capital	Number of Shareholders	% of Shareholder
Held in dematerialized form in NSDL	4304755	71.75	10335	57.43
Held in dematerialized form in CDSL	1415495	23.59	7517	41.77
Physical	279750	4.66	144	0.80
TOTAL	6000000	100.00	17996	100.00

xv) Top Ten Shareholders of the Company as on 31st March, 2017

Sl. No.	Name of the Shareholder	Number of Shares held	% of Shareholding
1.	EASTERN INVESTMENTS LIMITED	3000890	50.01
2.	LIFE INSURANCE CORPORATION OF INDIA	925000	15.42
3.	3A CAPITAL SERVICES LIMITED	77000	1.28
4.	ASPI H TANGREE	75730	1.26
5.	GHI LTP LTD	73845	1.23
6.	ALL BANK FINANCE LTD	66000	1.10
7.	ATYANT CAPITAL INDIA FUND I	49942	0.83
8.	MISRILALL JAIN	49500	0.83
9.	GHI JBD LTD	30899	0.51
10.	NAUSHAD D MADON	30086	0.50
	TOTAL	4378892	72.98

xvi) Categories of Shareholders with Shareholding Pattern as on 31-03-2017

Shareholders	Number of Shares	Percentage (%)
1. Government (Central and State)	NIL	NIL
2. Government Companies (EIL)	3000890	50.01
3. Public Financial Companies (LIC)	925000	15.42
4. Nationalized and other Banks	23487	0.39
5. Mutual Funds	NIL	NIL
6. Venture Capital	NIL	NIL
7. Foreign holdings (Foreign institutional investor(s), Foreign companies(s) Foreign financial institution(s), Non-resident Indian(s) or Overseas corporate bodies or Others	277333	4.62
8. Bodies corporate (not mentioned above)	325779	5.43
9. Directors or relatives of directors	NIL	NIL
10. Other top fifty (50) shareholders (other than listed above)	437719	7.30
11. Indian Public	1000023	16.67
12. Others		
a) Clearing Member	9769	0.16
b) Custodian of Enemy Property for India	NIL	NIL
TOTAL	6000000	100.00

Total No. of shareholders-17996

xvii) Distribution of shareholding by size as on 31.03.2017

Category	Number of Shareholders		Number of Shares	
	Total	% of Shareholder	Total	% to Share Capital
1-500	17476	97.11	623643	10.39
501-1000	263	1.46	211568	3.53
1001-2000	132	0.73	197214	3.29
2001-3000	51	0.28	136883	2.28
3001 – 4000	14	0.08	48505	0.81
4001- 5000	19	0.11	88381	1.47
5001-10000	19	0.011	128810	2.15
10001-50000	16	0.09	352261	5.87
50001-100000	4	0.02	286845	4.78
100001 And Above	2	0.01	3925890	65.43
Total	17996	100.00	6000000	100.00

xviii) Geographical Analysis Report as on 31st March, 2017

State	Number of Shareholders	% of Shareholder	Number of Shares	% of Shares
Ahmedabad	2332	12.96	226125	3.77
Bangalore	365	2.03	16383	0.27
Chennai	342	1.90	20211	0.34
Hyderabad	263	1.46	12912	0.22
Kolkata	1305	7.25	3495254	58.25
Mumbai	5622	31.24	1781741	29.70
New Delhi	498	2.77	40609	0.67
Pune	393	2.18	55333	0.92
Surat	396	2.20	21662	0.36
Others	6480	36.01	329770	5.50
TOTAL	17996	100.00	6000000	100.00

xix) Dividend History (Five years)

Financial Year Ended	Dividend Per Share (₹)	Total Dividend (₹ In Crores)
31.03.2012	8.61	0.52
31.03.2013	3.22 (of Rs. 1 each)	1.93
31.03.2014	1.04 (of Rs. 1 each)	0.624
31.03.2015	4.43 (of Rs.1 each)	2.66
31.03.2016	2.66 (of Re.1 each)	1.60

Note : Total dividend is exclusive of dividend tax.

xx) Unclaimed Dividend

Pursuant to the provisions of Section 123 of the Companies Act, 2013, particulars of the dividends declared by the Company, which remained unpaid or unclaimed are given below:

Financial Year	Date of Payment of Dividend	Total Dividend (In Crores)	Unclaimed Dividend as on 31.03.2017 (₹)	Due Date for Transfer of Unclaimed Dividend Amount to IEPF*
2009-10	12.10.2010	11.16	19,47,234.00	03.11.2017
2010-11	10.10.2011	1.16	2,25,810.00	22.10.2018
2011-12	05.10.2012	0.51	1,20,419.46	25.10.2019
2012-13	07.10.2013	1.93	4,62,553.00	26.10.2020
2013-14	14.10.2014	0.624	1,67,039.60	30.10.2021
2014-15	08.10.2015	2.66	7,36,797.60	28.10.2022
2015-16	04.10.2016	1.60	4,27,941.22	27.10.2023

xxi) Transfer of unpaid/unclaimed dividend amount to Investor Education and Protection Fund

During the year under review, an amount of ₹34,20,235/- (Rupees Thirty Four lakhs twenty thousand two hundred thirty five rupees only) pertaining to unpaid dividend for the financial year 2008-09 were transferred to Investor Education and Protection Fund (IEPF) of the Central Government.

xxii) Address for correspondence with Depositories

National Securities Depository Limited
Trade World, 4th & 5th Floor
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013
Telephone No : 022-2499 4200
Facsimile Nos : 022-2497 2993/6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor,
Dalal Street
Mumbai - 400 001
Telephone No : 022-2272 3333
Facsimile Nos : 022-2272 3199/2072
E-mail : investors@cdslindia.com
Website : www.cdslindia.com

xxiii) Pledge of shares:

No pledge has been created over the Equity Shares held by the promoters as on March 31,2017.

xxiv) Shareholding of Directors and Key Managerial Personnel

No Directors or KMP's holds any shares in the company.

xxv) List of Mines & Mines Locations

Sr. No.	MINES NAME & ADDRESS
a)	Thakurani Iron & Manganese Mines P.O. Thakurani, Via – Barbil, District : Keonjhar, (Odisha), Pin : 758035
b)	Belkundi Bagiaburu Iron Mines P.O. Nalda, Via – Barbil, District : Keonjhar, (Odisha), Pin : 758035
c)	Bhadrasahi Iron and Manganese Mines P.O. Kolha, Roida. Via – Joda, District : Keonjhar, (Odisha), Pin : 750038
d)	OMDC Sponge Iron Plant P.O. Thakurani, Via Barbil, District : Keonjhar, (Odisha), Pin : 758035

Other Offices at:

New Delhi:	Core-IV, II Floor, Scope Minar, Laxmi Nagar District Centre, New Delhi-110092
Bhubaneswar:	Plot No-2132/5131/5161 Jayadev Nagar, Nageswar Tangi, Bhubaneswar- 751002

xxvi) Address for Correspondence:

The shareholders may address their communications / suggestions / grievances / queries to
CB Management Services (P) Ltd

P - 22, Bondel Road,

Kolkata - 700019.

Phone: (033) 4011-6700

Fax : (033) 2287-0263

E mail : rta@cbmsl.com

OR

The Company Secretary

The Orissa Minerals Development Company Limited

AG-104, "Sourav Abasan", 2nd Floor

Sector-II, Salt Lake City,

Kolkata-700091

Tel : (033) 4016-9200

Fax : (033) 4016-9267,

E-mail : info.birdgroup@nic.in,

Website : www.birdgroup.gov.in

xxvii) Nomination Facility :

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under the Companies Act, 2013, may obtain from CB Management Services (P) Ltd , the prescribed Form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant (DP).

xxviii) Investor Safeguards

In pursuit of the Company's objective to mitigate/avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

a) Open Demat Account and Dematerialize your Shares

Members should convert their physical holdings into electronic holdings. Holding shares in electronic form helps Members to achieve immediate transfer of shares. No stamp duty is payable on transfer of shares held in electronic form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

b) Consolidate your Multiple Folios

Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

c) Confidentiality of Security Details

Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.

d) Dealing with Registered Intermediaries

Members should transact through a registered intermediary who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.

e) Obtain documents relating to purchase and sale of securities

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

f) Update your Address

To receive all communications and corporate actions promptly, please update your address with the Company or DP, as the case may be.

g) Prevention of Frauds

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required.

h) Monitor holdings regularly

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

i) PAN Requirement for Transfer of Shares in Physical Form

SEBI has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. It is, therefore, mandatory for any transferee(s) to furnish a copy of the PAN card for registration of such transfers. Members are, therefore, requested to make note of the same and submit their PAN card copy.

j) Mode of Postage

Share Certificates and high value dividend warrants/cheques/demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

12. CAUTIONARY STATEMENT:

Details given here in above relating to various activities and future plans may be 'forward looking statements' within the meaning of applicable laws and regulations. The actual performance may differ from those expressed or implied.

13. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a Certificate from FCS Mohan Ram Goenka, Practicing Company Secretary of M/s. MR & Associates confirming compliance of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 and the same is enclosed herewith.

Certificate

To

The Members

M/s The Orissa Minerals Development Company Limited

We have examined the compliance of conditions of Corporate Governance by The Orissa Minerals Development Company Limited ("the Company") for the year ended on March 31, 2017, as stipulated in Schedule V and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations 2015"].

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the 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 our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable except;

Due to absence of Independent Directors in the Company, the Company cannot adhere with few of the provisions of SEBI (LODR) Regulations 2015, as applicable.

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 **M R & Associates**
Company Secretaries

Place: Kolkata
Date: 20.07.2017

M R Goenka
Partner
C P No.: 2551

Annual Compliance with the Code of Conduct for the Financial Year 2016-2017

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2017 from all the Board Members and Senior Management Personnel.

For and on behalf of the Board of Directors
The Orissa Minerals Development Company Limited

P.K Sinha
Chief Executive Officer & Managing Director
DIN: 06872165

Place: Kolkata
Date : 26.05.2017

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL
OFFICER (CFO) CERTIFICATION PURSUANT TO PART B OF
SCHEDULE II OF REGULATION 17(8) of SEBI(LODR) REGULATIONS, 2015.**

We, Shri P.K.Sinha , Chief Executive Officer(CEO) and Managing Director(MD) and Shri Arijit Chakravarty, Chief Financial Officer (CFO) of The Orissa Minerals Development Company Limited (OMDC) shall certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There were, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Company's Auditors and the Audit committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
 - (2) significant changes if any, in accounting policies, during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) As regards to the transaction of the company during the year 2016-2017 is concerned it is to declare
- that we are not aware of any instances of significant fraud and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

ARIJIT CHAKRAVARTY
Chief Financial Officer (CFO)

Place: Kolkata
Date: 26.05.2017

P.K SINHA
Chief Executive Officer (CEO) &
Managing Director

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:- L51430WB1918GOI003026

ii) Registration Date: 16.08.1918

iii) Name of the Company: The Orissa Minerals Development Company Limited

iv) Category/Sub-Category of the Company: Company Limited by shares/Indian Government Company

v) Address of the Registered office and contact details:
AG-104, "Sourav Abasan", 2nd Floor, Sector - II, Salt Lake City,
Kolkata-700091

Phone : (033) 4016 9200, Fax : (033) 4016 9267

Email : info.birdgroup@nic.in

Website : www.birdgroup.co.in

vi) **Whether listed company: Yes**

vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any:**

C B Management Services (P) Ltd.

P - 22, Bondel Road, Kolkata - 700019

Phone : (033) 4011 6700/2280 6692/ 2282 3643/2287 0263

Fax : (033) 4011 6739, Email : rta@cbmsl.com

Website: www.cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Closure of all six mines, owing to non availability of statutory clearance coupled with the restrictions imposed on the transporting of minerals have affected production and dispatch of the Company adversely and has resulted in nil production and nil dispatch during the year 2016-2017.

Sl.No.	Name and Description of main products/ Services	NIC Code of the Product/ service	% to total turnover of the company
1			
2		N.A.	
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY	% OF SHARES HELD	APPLICABLE SECTION
1.	Eastern Investments Limited	L65993WB1927GOI005532	Holding Company	50.01 %	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding										
		No. of Shares held at the beginning of the year -01.04.2016				No. of Shares held at the end of the year -31.03.2017				% Change during the year
	Category of Shareholder	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter									
1	Indian									
(a)	Individuals/ HUF									
(b)	Central Government(s)									
(c)	State Government(s)									
(d)	Bodies Corporate	3000890	0	3000890	50.01	3000890	0	3000890	50.01	0.00
(e)	Bank/Financial Institutions									
(f)	Others									
	Sub Total(A)(1)	3000890	0	3000890	50.01	3000890	0	3000890	50.01	0.00
2	Foreign									
a	NRIs-Individuals									
b	Other-Individuals									
c	Bodies Corporate									
d	Bank/Financial Institutions									
e	Any Others									
	Sub Total(A)(2)	0	0	0		0	0	0		0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3000890	0	3000890	50.01	3000890	0	3000890	50.01	0.00
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds	43	0	43	0.00	0	0	0	0.00	0.00

(b)	Bank/Financial Institutions	2621	20000	22621	0.37	3487	20000	23487	0.39	0.02
(c)	Central Government(s)									
(d)	State Government(s)									
(e)	Venture Capital Funds									
(f)	Insurance Companies	925000	0	925000	15.42	925000	0	925000	15.42	0.02
(g)	Foreign Institutional Investors (FII)	124714	0	124714	2.08	3175	0	3175	0.05	(-) 2.03
(h)	Foreign Venture Capital Investors									
(i)	Other (specify)									
(j)	Foreign Portfolio Investors	80926	0	80926	1.35	204917	0	204917	3.42	(+)2.07
	Sub-Total (B)(1)	1133304	20000	1153304	19.22	1136579	20000	1156579	19.28	0.06
B 2	Non-institutions									
(a)	Bodies Corporate	327232	41500	368732	6.15	319739	6000	325739	5.43	-0.72
i)	Indian									
ii)	Overseas									
(b)	+									
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1141523	249100	1390623	23.18	1199492	238250	1437742	23.96	0.78
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Other (specify)									
1	NRI	62062	15500	77562	1.29	53741	15500	69241	1.16	(-) 0.13
2	Clearing Member	7849	0	7849	0.13	9769	0	9769	0.16	(+)0.03
3	OCB									
4	Trust	1040	0	1040	0.02	40	0	40	0.00	(-) 0.02
5	Foreign Fortfolio Investor									
	Sub-Total (B)(2)	1539706	306100	1845806	30.77	1582781	259750	1842531	30.71	(-) 0.06
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	2673010	326100	2999110	49.99	2719360	279750	2999110	49.99	0.00
	TOTAL (A)+(B)	5673900	326100	6000000	100.00	5720250	279750	6000000	100.00	0.00
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	5673900	326100	6000000	100.00	5720250	279750	6000000	100.00	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year- 01.04.2016			No.of shares held at the end of the year -31.03.2017		
		No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares
1	EASTERN INVESTMENTS LTD. IN30036020450793						
	a) At the Beginning of the Year	3000890	50.01	NIL	3000890	50.01	NIL
	b) Change during the Year	NO CHANGE					
	c) At the end of the Year				3000890	50.01	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl.No.		Shareholding at the beginning of the year - 01.04.2016		Cumulative Shareholding during the year - 31.03.2017	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
	At the beginning of the year	3000890	50.01	3000890	50.01
	Date wise increase/decrease in Promoters Share holding during the year specifying reason for increase/decrease (e.g.allotment/ transfer/bonus sweat equity etc):	No Change in Shareholding during the year			
	At the end of the year			3000890	50.01

(iv) Shareholding of top ten Shareholders
(other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.N o.	Name			Shareholding at the beginning of the year - 01.04.2016		Cumulative Shareholding during the year -31.03.2017	
				No.of Shares	% of total share s of the Com pany	No.of Shares	% of total shares of the Compa ny
1	LIFE INSURANCE CORPORATION INDIA 1601000000000506						
	a) At the beginning of the year	01/04/2016		925000	15.42	925000	15.42
	b) Changes during the year			NO CHANGE			
	c) At the end of the year	31/03/2017				925000	15.42
2	3A CAPITAL SERVICES LIMITED IN30115121889966						
	a) At the beginning of the year	01/04/2016		77000	1.28	77000	1.28
	b) Changes during the year			NO CHANGE			
	c) At the end of the year	31/03/2017				77000	1.28
3	ASPI H TANGREE IN30085310008373/ IN30149310026439						
	a) At the beginning of the year	01/04/2016		75000	1.25	75000	1.25
	b) Changes during the year						
		Date	Reason				

		7/29/2016	BUY	730	0.01	75730	1.26
	c) At the end of the year	31/03/2017				75730	1.26
4	GHI LTP LTD IN30016710106965						
	a) At the beginning of the year	01/04/2016		73845	1.23	73845	1.23
	b) Changes during the year		NO CHAN GE				
	c) At the end of the year	3/31/2016				73845	1.23
5	ALL BANK FINANCE LTD. IN30085310059764						
	a) At the beginning of the year	01/04/2016		66000	1.10	66000	1.10
	b) Changes during the year		NO CHANGE				
	c) At the end of the year	31/03/2017				66000	1.10
6	ATYANT CAPITAL INDIA FUND I IN30016710121990						
	a) At the beginning of the year	4/1/2016		49942	0.83	49942	0.83
	b) Changes during the year		NO CHANGE				
	c) At the end of the year	31/03/2017				49942	0.83
7	MISRILALL JAIN J00014						
	a) At the beginning of the year	4/1/2016		49500	0.83	49500	0.83
	b) Changes during the year		NO CHANGE				
	c) At the end of the year	31/03/2017				49500	0.83

8	NAUSHAD D MADON IN30021418037339						
	a) At the beginning of the year	4/1/2016		38800	0.65	38800	0.65
	b) Changes during the year						
		Date	Reason				
		6/10/2016	SALE	300	0.01	38500	0.64
		9/30/2016	SALE	714	0.01	37786	0.63
		10/14/2016	SALE	300	0.01	37486	0.62
		10/21/2016	SALE	840	0.01	36646	0.61
		10/28/2016	SALE	1260	0.02	35386	0.59
		11/4/2016	SALE	3400	0.06	31986	0.53
		1/13/2016	SALE	1900	0.03	30086	0.50
	c) At the end of the year	3/31/2017				30086	0.50
9	THE PROPERTY COMPANY PVT LTD P00093/1203000000 033362						
	a) At the beginning of the year	4/1/2016		54613	0.91	54613	0.91
	b) Changes during the year						
		Date	Reason				
		4/8/2016	SALE	800	0.01	53813	0.90
		4/15/2016	SALE	492	0.01	53321	0.89
		4/22/2016	SALE	2817	0.05	50504	0.84
		6/3/2016	SALE	1511	0.03	48993	0.81
		6/10/2016	SALE	3424	0.05	45569	0.76
		6/17/2016	SALE	10962	0.18	34607	0.58
		6/24/2016	SALE	214	0.00	34393	0.58
		6/30/2016	SALE	3458	0.06	30935	0.52
		7/1/2016	SALE	978	0.02	29957	0.50
		7/8/2016	SALE	700	0.01	29257	0.49
		7/15/2016	SALE	1218	0.02	28039	0.47

		7/29/2016	SALE	820	0.01	27219	0.46
		8/5/2016	BUY	220	0.00	27439	0.46
		8/19/2016	SALE	15	0.00	27424	0.46
		8/26/2016	SALE	80	0.00	27344	0.46
		9/9/2016	SALE	506	0.01	26838	0.45
		9/23/2016	SALE	2880	0.05	23958	0.40
		9/30/2016	SALE	1121	0.02	22837	0.38
		10/7/2016	SALE	2413	0.04	20427	0.34
		10/14/2016	SALE	500	0.01	19927	0.33
		10/21/2016	SALE	351	0.00	19576	0.33
		10/28/2016	SALE	1129	0.02	18447	0.31
		11/4/2016	SALE	2377	0.04	16070	0.27
	c) At the end of the year	31/03/2017				16070	0.27
10	GHI JBD LTD IN30016710107015						
	a) At the beginning of the year	4/1/2016		30899	0.51	30899	0.51
	b) Changes during the year				NO CHA NGE		
	c) At the end of the year	3/31/2017				30899	0.51
11	HITESH SATISHCHANDR A DOSHI IN30012610936068						
	a) At the beginning of the year	4/1/2015		28437	0.47	28437	0.47
	b) Changes during the year						
		Date	Reason				
		7/22/2016	SALE	2200	0.04	26237	0.43
		2/17/2017	SALE	26237	0.43	0	0.00
	c) At the end of the year	31/03/2017				0	0.00

V) Shareholding Pattern of Directors and Key Managerial Personnel

Sl.No.	For each of the Directors and KMP	Shareholding at the beginning of the year -01.04.2016		Cumulative Shareholding during the year -31.03.2017	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1					
	a) At the Beginning of the Year	0	0.00	0	0
	b) Change during the Year				
	c) At the end of the Year				

Note: None of the Directors and KMP of the Company hold any shares of the Company at the beginning of the year 01.04.2016 as well as at the end of the year i.e 31.03.2017.

V.INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Sl. no.	Particulars of Remuneration	SHRI P.K.SINHA ₹ 01.04.2016 to 31.03.2017	SHRI P.S MISHRA ₹ 01.04.2016 to 31.03.2017
		MD	WTD
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b)Value of perquisites u/s 17(2) of the Income-Tax Act,1961 (c)Profits in lieu of salary under section 17(3) of the Income- Tax Act,1961	22,35,814 2,86,157	16,80,000 9,928
2.	Stock Option		---
3.	Sweat Equity		---
4.	Commission - as % of profit/ Others, specify		----
5.	Others, please specify	4,59,978	4,71,156
	Total	29,81,949	21,61,084
	Total (A)		51,43,033
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri Abdul Kalam	Shri K.J. Singh	Shri R.G Shinde	
	1.Independent Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify Air Ticket & Conveyance	1,50,000 2,12,669	1,35,000		2,85,000
	Total(1)				4,97,669
	2.Other Non-Executive Directors & Nominee Director ·Fee for attending board committee meetings ·Commission ·Others,please specify Air Ticket & Conveyance			37,500 3,19,318	
	Total(2)				3,56,818
	Total(B)=(1+2)				8,54,487
	Total Managerial Remuneration (A+B)				59,97,520
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI No.	Particulars of Remuneration	Key Managerial Personnel			
		Anu Singh Company Secretary (w.e.f 15/09/2016)	Arijit Chakravarty CFO , ,	Suchitra Das (From 1st April,2016 to 5 th July,2016)	Total
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2) of the Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3) of the Income-tax Act,1961	2,31,253	26,22,993	2,41,215	
		6388	1,81,220	5,802	
2.	Stock Option	-	-		
3.	Sweat Equity	-	-		
4.	Commission - as%of profit -others,specify...	-	-		
5.	Others, please specify (LTA+PF)	24,492	3,88,985	-	
	Total	2,62,133	31,93,198	2,47,017	

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/COURT]	Appeal made, if any (give Details)
A.COMPANY					
Penalty					
Punishment					
Compounding			None		
B.DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

"Sourav Abasan", 2nd Floor, AG-104,

Sector-II, Salt Lake,

Kolkata 700 091

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:
 - i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/ guidelines/ circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, there were no actions/ events in pursuance of,

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

We further report that the Management has identified and confirmed the following laws as specifically applicable to the Company;

- (a) The Mines Act, 1952;
- (b) The Mines & Minerals (Development & Regulations) Act, 1957;
- (c) The Legal Metrology Act, 1986
- (d) Department of Public Enterprises Guidelines issued by the ministry of heavy Industries & Public Enterprises.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange Limited and Calcutta Stock Exchange Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- (i) Due to absence of Independent Directors in the Company, the Company cannot adhere with few of the provisions of SEBI (LODR) Regulations 2015 and the Companies Act 2013, as applicable.
- (ii) The Company had appointed an Internal Audit Cell for conducting the Internal Audit as per Section 138 which consists of Internal employees of the Company and employees of Holding Company RINL. Therefore, Form MGT 14 for appointment of internal auditor as required u/s 179 r/w Section 117 of the companies Act 2013 read with relevant rules applicable thereon has been filed by Holding Company RINL.

We further report that,

The Board of Directors of the company is not properly constituted as the company does not have prescribed number of Independent Directors in its Board and accordingly compliance pertaining to the constitution of various committees and the necessary functions and duties as required to be discharged by these committee and the Board with Independent Directors are not made during the year under report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the Orders issued by the Government of India from time to time.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events or actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above, except the followings:-

STATUS OF RENEWAL OF THE MINING LEASES:

The Company had received a lapsing notice from Govt. Of India on 07.09.2016 in spite of favorable order from the RA, Ministry of Mines, Govt. of India on 11.05.2016 for which necessary replies had been submitted.

i) All the three BPMEL mining leases are non operational due to legal cases at High Court-Cuttack, High Court-Kolkata, DRT & DRAT, Kolkata which are sub-judice and supportive legal opinion was received from the learned ASG and AG on issue of "Vesting of the mining leases of BPMEL unto OMDC". The matter was placed with the OMDC & EIL Board and approved by the respective Boards. Approval of RINL Board is awaited.

ii) OMDC Leases

I Govt. of Odisha again issued lapsing notice on 07.09.2016 in spite of favourable order from the RA, Ministry of Mines, Govt. of India on 11.05.2016. Reply submitted on 05.10.2016 and 1st hearing took place on 17.10.2016.

ii) Hearing in respect of one lease (Belkundi Mines) completed on 23.02.2017. Govt. of Odisha vide proceedings dated 29.05.2017 has declared the Belkundi mining lease as lapsed. OMDC has applied to the State Govt. for revival of Belkundi mining lease on 01.06.2017 under Rule 20(7) of the MC Rule, 2016 along with prescribed fee of Rs. 1(one) Lakh only.

iv) Hearing in respect of Bagiaburu mines is yet to be called by Govt. of Odisha

This Report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this Report.

For **M R & Associates**
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 20 July, 2017

"ANNEXURE - A"

(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

To,
The Members
THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED
"Sourav Abasan", 2nd Floor, AG-104,
Sector-II, Salt Lake,
Kolkata 700 091

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M R & Associates**
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 20 July, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of The Orissa Minerals Development Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, signed by us under reference to this report and a summary of the significant accounting policies and other explanatory information. These financial statements are the responsibility of the Company's management.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income) and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Basis for Qualified Opinion

1. The original title deeds of immovable properties including leasehold were not made available to our examination.
2. Leasehold land and lease hold properties considered as financial lease up to previous year have been reclassified in the reporting year as operating lease. In absence of sufficient details available we are unable to determine whether such leased properties should have been classified as financial or operating lease. The mining lease of the Company have not been renewed since September 2010 and operation of those mines have been suspended since then. In view of that, in our opinion, the carrying value of the permanent structure i.e. Buildings and other civil constructions, Roads, Railway Sidings etc. constructed on such leasehold land and mining rights need to be amortised along with carrying value of such lease hold land and properties, unless such mining lease are renewed. The exact amount of such assets could not be ascertained for the want of details.
3. Plant, Machineries and Equipments shown in the accounts are not in use because of suspension of mining operation and closure of Sponge Iron Plants since a long time. As such based on technical evaluation, provision needs to be made for restoring the assets in running condition.
4. A substantial portion of the Capital Work in Progress relates to mines whose operation has been suspended and lease period has not been renewed. As such the expenditure to the tune of Rs. 43.79 lacs appear to be infructuous, hence needs to be provided for.
5. Reference is invited to Accounting Policy given in Note 4.8 to the Financial Statements. Contrary to the policy stated in the said notes, (i) any provision against non moving inventory has not been made. Inventory of raw materials and finished goods are carried in the accounts since 2009-10. On account of embargo put by the State Mining Department, Govt of Odisha, company is not able to use or sell such inventory. (ii) Further, stock of raw material has been considered at cost, as carried from last account. (iii) Valuation of finished goods has been made as per rates given in the latest report of Indian Bureau of Mines (IBM). (iv) As there is no certainty in movement of inventory within next 12 month, it should not have been considered as current assets.
6. Other receivables grouped under Current Financial Assets, include a sum of Rs. 119.63 lacs receivable from Bisra Stone Lime & Company Ltd. The aforesaid amount is carried in the account since a long time. The said amount neither recovered nor adjusted upto the close of the reporting year, as such should be considered doubtful and needs to be provided for.
7. The Company had entered into a Joint venture with M/s Usha (India) Ltd. for managing the affairs of M/s East India Minerals Ltd. (EIML). However over the period, the company has lost any

finance control over the said Company. The matter is under dispute and present state of affairs of the said company is not available. The Company has not provided the likely loss in the value of its investment in Joint Venture of Rs. 281.10 lakhs.

8. Balances in respect of Advances, Receivables and Payables are subject to confirmation. The effect of any adjustment, as may be required, on reconciliation with the parties' confirmation is not currently ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the overall effect, as far as could be ascertained, is overstatement of Assets by Rs 444.52 lacs and understatement of Expenses to the same extent, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit (financial performance) and its cash flows and the changes in equity for the year ended on that date. Had the effect of above non provisions amounting to Rs. 444.52 lacs given in the accounts, then the net profit of Rs 586.18 lacs would have reduced to Rs. 141.66 lakhs.

Emphasis of Matter

I Reference is invited to the Note 41 to the Financial Statements, mining operation of the Company is continued to be remained suspended due to non-renewal of the leases and non-receipt of requisite clearances from the Government of Odisha and the Central Government. These conditions indicate the existence of a material uncertainty to resume the mining operations. These financial statements have been prepared on a going concern basis mainly for the initiative taken by the Company's management for opening of the mines and resumption of mining operations.

ii. Reference is invited to Note - 8.2 to the Financial Statements. The Company held 25434 shares of Rs. 10 each of its holding company namely the Eastern Investments Ltd. These shares are however been held prior to it has become subsidiary of the said Company.

iii. Reference is invited on note 9.1 i.e. trade receivables to the Financial Statements. These trade receivables are carried since long time and in absence of readily available details we could not vouch safe whether such debt has been created on account of debit note raised on the customers due to changes in Government levies. However, such receivable has been fully provided.

iv. Reference is invited to Note 8.4 to the Financial Statement, the Company has not prepared consolidated financial statements in accordance with the provisions of section 129 of the Companies Act, 2013, in respect of its Joint Venture.

v. Current Liabilities include Rs. 509.00 lacs being aggregate amount of outstanding dues on account of Provision for Property Tax Rs. 40.86 lacs, Dead Rent Rs. 365.16 lacs and Surface Rent Rs. 102.98 lacs. In absence of supporting documents, liability has been considered on estimated basis.

- v. The following accounting policies disclosed in the accounts does not appear to be relevant/applicable in the reporting period:
- a) Note no. 4.12 : Accounting for Government Grants
 - b) Note no. 4.16.5 : Assessment of embedded derivatives
 - c) Note no. 5.1.2 : Provision for Restoration and Rehabilitation of Mining Sites.
 - d) Note no. 5.1.3 : Ore reserve and mineral resource estimates.
 - e) Note No. 5.1.4 : Deferred stripping expenditure.
 - f) Note No.4.3 : Mining Rights under head Intangible Assets.

Our opinion is not modified on account of above matters.

Other Matters

1) The comparative financial information of the for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 and 31st March 2015 dated 20th June 2016 and 3rd July 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the difference in the accounting principals adopted by the company on transition to the Ind AS which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. In terms of the Directions and Sub-Direction under section 143(5) of the Act, we give in Annexure B, our report on the matters included in the Directions and Sub-Directions as aforesaid.
3. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained, except any report as might have made by the Vigilance department of the Company, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) The provisions of section 164(2) are not applicable to the Company as it is a Government Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we refer to our separate report in Annexure C; and

g) The matter described in the Basis for Qualified Opinion paragraph and the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 36 to the Standalone Ind AS financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Instance of Delay	(Rs. In lacs)	Date required to be transferred	Date of Transfer
Unpaid/ unclaimed Dividend for 2008-09	34.20	04.12.2016	07.02.2017

For **M. C. Bhandari & Co.**
Chartered Accountants
FRN : 303002E

CA Neeraj Jain
Partner
M No.: 064393

Place: Kolkata
Date: 26th May, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

[Referred to in paragraph 1 under head Report on Other Legal and Regulatory Requirements of the Auditors' Report of even date]

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the Company have been physically verified by the management during the year and discrepancies noticed during the course of physical verification have been duly adjusted in the accounts. In our opinion, the frequency of verification is reasonable.
(c) The title deeds of immovable properties including leasehold were not made available for our examination.
2. (a) As per the information the management has conducted the physical verification of inventory at reasonable intervals.
(b) The discrepancies noticed on physical verification of inventory as compared to book records were not adjusted and have not been properly dealt with in the books of account. However, valuation of inventory has been done on the basis of physically verified inventory.
3. According to the information and explanations given to us the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provision of clauses 3(iii) (a), (b) and (c) of the order is not applicable to the companies and hence not commented upon.
4. In our opinion and according to information and explanations given to us, the Company has not granted any loan and given guarantee and security to any companies, as such the provision of section 185 and 186 of the Companies Act 2013 not applicable.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. The Central Government of India has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for the products of the company. However, as the turnover of such products is lower than the prescribed threshold limits, in our opinion, maintenance of cost records is not applicable.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except provident fund.

The extent of the arrears of statutory dues outstanding as at 31st March 2017, for a period of more than six months from the date they became payable, in respect of share of shortfall of distributable interest on Provident Fund are as follows-

Name of Statute	Nature of due	Amount (Rs in Lacs)	Period to which it relates	Due date of payment
Provident Fund Act, 1952	Share of shortfall of distributable interest	3.83	2012-13	Various
Provident Fund Act, 1952	Contribution to Fund	4.67	February 2014 – August 2015	15 th March 2014 to 15 th September 2015

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales-tax, service tax, duty of excise and value added tax as at 31st March 2017 which have not been deposited on account of a dispute, are as follows-

Name of the statute	Nature of dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Mines and Minerals Development Act, 1957	Cost of excess production	5,39,539.24	2000-01 to 2009-10	Mines Tribunal
The Central Sales Tax Act, 1956	Central Sales Tax	4.44	2003-04	Sales Tax Tribunal
Odisha Value Added Tax Act, 2004	VAT	21.34	2005-06	Odisha High Court
Odisha Entry Tax Act, 1999	Entry Tax	34.79	2005-06	Odisha High Court
Odisha Entry Tax Act, 1999	Entry Tax	2.31	2006-07	Commissioner of Commercial Taxes (Appeal)
Odisha Entry Tax Act, 1999	Entry Tax	0.88	2007-08	Sales Tax Tribunal
Odisha Value Added Tax Act, 2004	VAT	224.25	2006-07	Commissioner of Commercial Taxes (Appeal)
Finance Act, 1994	Service Tax	7.05	2012-13	Commissioner of Service Tax (Appeal)

8. According to the records of the Company examined by us and the information and explanation given to us, the Company has neither taken any loan from financial institution, bank or Government nor issued any debentures.

9. Based upon the audit procedures performed and the information and explanations given by the management, the Company has neither raised any money by public issues of shares or debentures nor obtained any term loans during the year.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and information and explanations given to us, we have not come across any instances of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

11. In our opinion and according to the information and explanations given to us the provisions of section 197 read with Schedule V to the Act are not applicable to the Company.
12. As the Company is not a Nidhi Company, the Nidhi rules 2014 are not applicable to it. The provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and the records of the Company examined by us, the requirements of sections 177 and 188 of the Act is not applicable to this Company.
14. According to information and explanations given to us and on an overall examination of the Balance Sheet of the Company has not made a preferential allotment/ private placement of shares or fully or partly convertible debentures during the year under review, and hence, reporting requirements under clause 3(xiv) of the order are not applicable to the Company and not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, we have not come across any instances where the Company has entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **M. C. Bhandari & Co.**
Chartered Accountants
FRN : 303002E

CA Neeraj Jain
Partner
M. No : 064393

Place: Kolkata
Date: 26th May, 2017

ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED
[Referred to in paragraph 2 under sub head - Report on Other Legal and Regulatory Requirements of the Auditors' Report of even date]

I. Directions

	Description	Auditor's Response
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	The title deeds of the freehold land of 207.135 acres having a book value of Rs.28,020 and lease deeds for leasehold land of 56.372 acres having a book value of Rs.1,96,77,000 were not made available for our examination.
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	No debts/ loans/ interest have been written off/ waived. Provisions have been created for long outstanding balances considered doubtful of recovery.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities.	As per the records and information made available to us, no inventory is being held/lying with Third Parties and any assets has not been received as gift/grant from Government or other authorities in the period under audit.

For **M. C. Bhandari & Co.**
Chartered Accountants
FRN : 303002E

CA Neeraj Jain
Partner
M. No : 064393

Place: Kolkata
Date: 26th May, 2017

ANNEXURE- C TO THE INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

[Referred to in paragraph 3 (f) under head Report on Other Legal and Regulatory Requirements of the Auditors' Report of even date]

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

We have audited the internal financial controls over financial reporting of The Orissa Minerals Development Company Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Control

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Control over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that :

- 1) Pertain to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorization of management and directors of company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

Inherent Limitations of Internal Financial Control over Financial Reporting

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

Opinion

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

For **M. C. Bhandari & Co.**
Chartered Accountants
FRN : 303002E

CA Neeraj Jain
Partner
M. No : 064393

Place: Kolkata
Date: 26th May, 2017

**In their Report, the auditors have made certain observations.
The observations along with the comments of management thereon as below:**

Sl. No.	Observations of Auditor	Management Replies
1	The original title deeds of immovable properties including leasehold were not made available to our examination	Copy of title deeds are available with OMDC. Records available with the Revenue Department of the state clearly indicate that the title is in the name of OMDC. OMDC is paying Land Tax to State Govt., based on such record.
2	Leasehold land and lease hold properties considered as financial lease up to previous year have been reclassified in the reporting year as operating lease. In absence of sufficient details available we are unable to determine whether such leased properties should have been classified as financial or operating. The mining lease properties of the Company have not been renewed since September 2010 and operation of those mines have been suspended since then. In view of that, in our opinion, the carrying value of the permanent structure i.e. Buildings and other civil constructions, Roads, Railway Sidings etc. constructed on such leasehold land need to be amortised along with carrying value of such lease hold land and properties which in the current year has been grouped in the account as operating lease under the head - Other Assets. The exact amount of such assets could not be ascertained for the want of details.	In view of implementation of IND AS from the Financial Year 2016-17, the IND AS Standard No 17 under the heading 'Leases' shall be applicable in the instant case. The Para 15A under the sub-heading of the said standard namely 'Classification of Leases', which states :- Quote "When a lease includes both land and buildings elements, an entity assesses the classification of each element as a finance or an operating lease separately. In determining whether the land element is an operating or a finance lease, an important consideration is that land normally has an indefinite economic life" Unquote. The Leasehold land has finite economic life as the lease period is pre-defined. Hence the upfront fees paid to renew the Lease is classified as 'Pre-payment'. The Carrying Value of the permanent structure i.e. Buildings, civil constructions, Roads, Railway Sidings etc constructed on such leasehold land and mining rights are depreciated over the no of years as prescribed under Companies Act 2013 based on initiatives taken by the company's management to open the mines and resumption of mining activities and the 'Going Concern' concept of preparation of financial statements.
3	Plant, Machineries and Equipments shown in the accounts are not in use because of suspension of mining operation and closure of Sponge Iron Plants since a long time. As such based on technical evaluation, an additional amount needs to be provided for restoring the assets in running condition.	Though mining operation and Sponge Iron Plants are suspended, normal wear and tear expenses are spent by the company in regular intervals to keep the equipments in running condition. Hence, no provision is required to be made.

4	A substantial portion of the Capital Work in Progress relates to mines whose operation has been suspended and lease period has not been renewed. As such the expenditure to the tune of Rs. 43.79 lacs appear to be infructuous, hence needs to be provided for	The company is expecting resumption of operation mines, after renewal of leases. On resumption, the Capital work in progress amount will be capitalised on its completion. However, the company will re-assess the amount if required and necessary provision will be made in subsequent period.
5	Reference is invited to Accounting Policy given in Note 4.8 to the Financial Statements. Contrary to the policy stated in the said notes, (i) any provision against non moving inventory has not been made. Inventory of raw materials and finished goods are carried in the accounts since 2009-10. On account of embargo put by the state Mining Department, Govt. Of Odisha, company is not able to use or sell such inventory, (ii) Further, stock of raw material has been considered at cost, as carried from last account, (iii) Valuation of finished goods has been made as per rates given in the latest report of Indian Bureau of Mines (IBM). (iv) As there is no certainty in movement of inventory within next 12 months, it should not have been considered as current assets.	Management has already taken initiative to open the Mines and resumption of Mining Activities. The inventory of raw materials and finished goods are carried at cost and IBM prices (cost/IBM price whichever is less) respectively, considering the mines may open and the mining activities may resume at any point of time. Therefore the Raw Materials, Finished Goods having its nature of saleability at any point of time, has not been considered as non-moving materials.
6	Other receivables grouped under Current Financial Assets include a sum of Rs. 119.63 lacs receivable from Bisra Stone Lime & Company Ltd. The aforesaid amount is carried in the account since a long time. The said amount neither recovered nor adjusted upto the close of the reporting year, as such should be considered doubtful and needs to be provided for.	Regular follow up for recovery of the said amount with fellow subsidiary M/s.BSLC is being made. The observation of Statutory Audit has been noted. However neessay action will be taken in FY 2017-18 based on the point of recoverability from M/s. BSLC.
7	The Company had entered into a Joint venture with M/s Usha (India) Ltd. for managing the affairs of M/s East India Minerals Ltd. (EIML). However over the period, the company has lost any finance control over the said Company. The matter is under dispute and present state of affairs of the said company is not available. The Company has neither provided the likely loss in the value of its investment in Joint Venture nor has prepared the consolidated financial statement, incorporating the financial statements of the said company.	"Matter is under subjudice. The company has not made consolidated financial statement for non-availability of financial data of M/s.East India Minerals Ltd. The company has been fighting legal battle in the court. Any loss of financial control and dimunition in the value of investment would depend on the outcome of the court verdict and hence no provision is made. Further, it is to be noted that pursuant to a MOU entered into between the company and Usha (India) Limited on the lines as approved by Govt of

		<p>India, MoS, a JV by the name East India Minerals Limited was incorporated. As per the MOU, approved by shareholders in the Extra Ordinary General Meeting held on 22.7.92, EIML had allotted 26% of its paid up capital i.e. 10 equity shares of face value of Rs.10 each fully paid up and 28,11,000 equity shares of face value of Rs.10/- each initially treated as paid up Re.1/- each only to the company as considerations for authorising use of certain facilities extended to them including a right to use a portion of land for setting up of an ore sizing and processing plant in the company's mining area, without an financial investment by OMDC. "</p>
8	<p>Balances in respect of Advances, Receivables and Payables are subject to confirmation. The effect of any adjustment, as may be required, on reconciliation with the parties' confirmation is not currently ascertainable.</p>	<p>Regarding confirmation of balance, Company make correspondences with the parties in regular interval and also at year end. The confirmations not received from the parties are considered as in order and hence no adjustment is made in the Financial Year. A review & reconciliation committee has been constituted for logical conclusion in this regard.</p>

COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of financial statement of The Orissa Minerals Development Company Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statement under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of The Orissa Minerals Development Company Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

For and on behalf of the
Comptroller and Auditor General of India

Place: Ranchi
Date: 04 August 2017

(Indu Agarwal)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board, Ranchi

Balance Sheet as at March 31, 2017

Amount in Rs. Lakhs

	Notes	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	6	1,546.43	1,670.77	1,936.18
(b) Capital work-in-progress	6	122.80	166.05	177.57
(c) Intangible assets	7	4,125.46	4,485.85	4,698.84
		5,794.69	6,322.67	6,812.59
(d) Financial assets				
(i) Investments				
(a) Investments in joint ventures	8	281.10	281.10	281.10
(b) Other Investments	8	2.48	44.14	76.63
(ii) Loans	10	86.70	84.86	80.26
(iii) Other financial assets	11	100.00	156.00	156.00
(e) Non-current tax assets	13	5,853.07	5,995.87	5,054.20
(f) Other non-current assets	12	162.99	188.38	215.41
Total non-current assets		12,281.03	13,073.02	12,676.19
(2) Current assets				
(a) Inventories	14	2,324.36	2,166.96	2,670.74
(b) Financial assets				
(i) Trade receivables	9	-	-	-
(ii) Cash and cash equivalents	15A	12,979.21	2,650.80	1,536.03
(iii) Bank balances other than (ii) above	15B	67,230.38	77,105.20	75,636.98
(v) Other financial assets	11	2,938.19	2,096.29	2,550.47
(c) Other current assets	12	126.36	146.24	200.04
Total current assets		85,598.50	84,165.49	82,594.26
Total assets		97,879.53	97,238.51	95,270.45
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	16	60.00	60.00	60.00
(b) Other equity	17	84,020.37	83,626.14	82,881.91
Total equity		84,080.37	83,686.14	82,941.91
(2) Liabilities				
A Non-current liabilities				
(a) Provisions	20	473.58	385.88	305.54
(b) Deferred tax liabilities (Net)	21	780.54	790.58	696.57
Total non-current liabilities		1,254.12	1,176.46	1,002.11
B Current liabilities				
(a) Financial liabilities				
(i) Trade payables	18	225.51	206.39	176.07
(ii) Other financial liabilities	19	2,714.01	2,782.10	2,789.82
(b) Provisions	20	5,454.68	4,873.35	4,692.95
(c) Other current liabilities	22	923.28	835.18	722.75
(d) Current tax liabilities	13	3,227.56	3,678.89	2,944.84
Total current liabilities		12,545.04	12,375.91	11,326.43
Total liabilities		13,799.16	13,552.37	12,328.54
Total equity and liabilities		97,879.53	97,238.51	95,270.45

Accompanying accounting policies and notes forms integral part to the financial statements

As per our report of even date attached.

For **M. C. Bhandari & Company**

Chartered Accountants

FRN No.303002E

(CA Neeraj Jain)

Partner

M. No.064393

Kolkata, Date: 26th May, 2017

For & On Behalf of Board of Directors

P. K Sinha
Managing Director

P. S. Mishra
Director

A Chakravarty
CFO

Anu Singh
Company Secretary

Statement of profit and loss for the year ended March 31, 2017

		Amount in Rs. Lakhs	
	Notes	For the year ended 31.03.2017	For the year ended 31.03.2016
I Other income	23	6,317.62	7,000.66
Total revenue (I)		6,317.62	7,000.66
II EXPENSES			
(a) Changes in inventories of finished goods and work-in-progress	24	(159.15)	494.05
(b) Employee benefit expenses	25	2,548.13	2,533.02
(c) Depreciation and amortisation expenses	27	484.93	683.77
(d) Other expenses	28	2,207.47	1,351.50
Total expenses (II)		5,081.38	5,062.34
III Profit before tax (I - II)		1,236.24	1,938.32
IV Tax expense			
(1) Current tax		552.67	734.05
(2) Deferred tax	21	27.14	110.02
Total tax expense (IV)		579.81	844.07
V Profit for the year (III - IV)		656.43	1,094.25
VI Other comprehensive income			
A (i) Items that will not be recycled to profit or loss			
- Remeasurement gains / (losses) on defined benefit plans		(107.43)	(47.10)
- Income tax relating to items that will not be reclassified to profit or loss		37.18	16.01
-Total Other Comprehensive Income		(70.25)	(31.09)
VII Total comprehensive income for the year (V + VI)		586.18	1,063.16
VIII Earnings per equity share:			
Basic and Diluted Earnings Per Share (Face Value Re.1/- per share.)	31	10.94	18.24

Accompanying accounting policies and notes forms integral part to the financial statements

As per our report of even date attached.

For **M. C. Bhandari & Company**

Chartered Accountants

FRN No.303002E

For & On Behalf of Board of Directors

P. K Sinha
Managing Director

P. S. Mishra
Director

(CA Neeraj Jain)

Partner

M. No.064393

Kolkata, Date: 26th May, 2017

A Chakravarty
CFO

Anu Singh
Company Secretary

Statement of Cash Flows for the year ended March 31, 2017

	Amount in Rs. lakhs	
	Year ended 31.03.2017	Year ended 31.03.2016
A. Cash flows from operating activities		
Profit for the period	656.43	1,094.25
Adjustments for:		
Income tax expense recognised in profit or loss	579.81	844.07
Interest income recognised in profit or loss	(6,073.80)	(6,819.90)
Impairment loss recognised on non-financial assets	14.90	-
Depreciation and amortisation of non-current assets	484.93	683.77
	(4,337.73)	(4,197.82)
Movements in working capital:		
(Increase) / decrease in inventories	(157.40)	503.78
(Increase) / decrease in trade receivables	0.00	(0.00)
(Increase) / decrease in loans and other financial asset	(787.73)	449.58
(Increase) / decrease in other assets	45.27	80.83
Increase / (decrease) in trade payables	19.12	30.32
Increase / (decrease) in other financial liabilities	(68.09)	(7.72)
Increase / (decrease) in other liabilities	88.10	112.43
Increase / (decrease) in provisions	561.60	213.64
Cash (used in) / generated from operations	(4,636.86)	(2,814.96)
Income taxes paid	(861.20)	(941.67)
Net cash (used in) / generated by operating activities	(5,498.06)	(3,756.63)
B. Cash flows from investing activities		
Payment for purchase of financial assets	-	(1,435.73)
Proceeds on sale of financial assets	9,916.48	-
Interest received from banks and others	6,073.80	6,819.90
Payments for property, plant and equipment	-	(26.58)
Proceeds from disposal of property, plant and equipment	38.84	-
Payments for intangible assets	(10.67)	(167.27)
Net cash generated by investing activities	16,018.45	5,190.32
C. Cash flows from financing activities		
Dividends paid on equity shares	(159.47)	(318.94)
Tax on dividends paid on equity shares	(32.47)	-
Net cash (used in) financing activities	(191.94)	(318.94)
Net increase or (decrease) in cash or cash equivalents	10,328.41	1,114.77
Cash and cash equivalents at the beginning of the year	2,650.80	1,536.03
Cash and cash equivalents at the end of the year	12,979.21	2,650.80

Accompanying accounting policies and notes forms integral part to the financial statements

As per our report of even date attached.

For **M. C. Bhandari & Company**

Chartered Accountants

FRN No.303002E

(CA Neeraj Jain)

Partner

M. No.064393

Kolkata, Date: 26th May, 2017

For & On Behalf of Board of Directors

P. K Sinha
Managing Director

P. S. Mishra
Director

A Chakravarty
CFO

Anu Singh
Company Secretary

Statement of changes in equity for the year ended March 31, 2017

Amount in Rs. lakhs			
A. Equity share capital			
Balance as at 01.04.2015			60.00
Changes in equity share capital during the year			-
Balance as at 31.03.2016			60.00
Changes in equity share capital during the year			-
Balance as at 31.03.2017			60.00
B. Other equity			
	Amount in Rs. Lakhs		
	Reserves and surplus		
	General reserve	Retained earnings	Total
Other equity		Profit and loss	
Balance as at April 01, 2015	32,309.41	50,572.50	82,881.91
Profit for the year	-	1,094.25	1,094.25
Other comprehensive income, net of Income tax	-	(31.09)	(31.09)
Total comprehensive income	-	1,063.16	1,063.16
Payment of dividend	-	(318.94)	(318.94)
Appropriation to reserves	106.32	(106.32)	-
Balance as March 31, 2016	32,415.73	51,210.40	83,626.13
Profit for the year	-	656.43	656.43
Other comprehensive income, net of Income tax	-	(70.25)	(70.25)
Total comprehensive income	-	586.18	586.18
Payment of dividend		(191.94)	(191.94)
Appropriation to reserves	58.62	(58.62)	-
Balance as March 31, 2017	32,474.35	51,546.02	84,020.36

The Orissa Minerals Development Company Limited

Ind AS Accounting Policies

1. General Information	<p>The Orissa Minerals Development Company Limited (hereinafter referred to as “OMDC” or the “Company”) was incorporated on 16th August, 1918. It was Nationalized by the Government of India by virtue of the Bird & Company Ltd (Acquisition and Transfer of undertaking and other properties) Act, 1980 (Act No: 67 of 1980) in the year 1980. It became a Schedule-B PSU w.e.f 19th March, 2010, as a subsidiary of EIL, which also become PSU on 19th March, 2010.</p> <p>Eastern Investment Limited (EIL) became a subsidiary of RINL (Rashtriya Ispat Nigam Limited) on 5th January, 2011.</p> <p>The company is listed at Calcutta stock exchange (CSE), National Stock Exchange (NSE) and got trading permission to trade under permitted category in Bombay Stock Exchange (BSE).</p> <p>OMDC operates six Iron Ore and Manganese Ore mining leases at Barbil in the district of Keonjhar, Odisha, namely Dalki Manganese Mines, Kolha Roida Iron & Manganese mines, Thakurani Iron and Manganese Mines, Belkundi Iron and Manganese Mines, Bariaburu Iron Mines and Bhadrasai Iron and Manganese Mines.</p> <p>The lease rights of all the six mines have expired. Presently, all the six mines are inoperative due to non-availability of Forest and Environment clearance. The Company is in process of getting the required clearances.</p>
2. Application of new and revised Ind Ass	<p>No new Ind ASs were introduced or no revision to any existing Ind ASs has been made before 31 March, 2017.</p>
3. Statement of compliance	<p>The financial statements have been prepared in accordance with Ind ASs notified under the Companies Act (Indian Accounting Standards) Rules, 2015.</p> <p>Upto the year ended 31 March, 2015, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2014. These are the Company.s first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2015. Refer Note 4.16 for the details of first- time adoption exemptions availed by the Company.</p>
4. Significant accounting policies 4.1Basis of preparation and presentation	<p>The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013.</p> <p>Prior to adoption of Ind AS, the Company had been preparing its financial statements for all periods up to and including the year ended 31 March 2016, in accordance with generally accepted accounting principles in the India, including accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (°Indian GAAP±). These financial statements for year ended 31 March 2017 are the Company.s first financial statements prepared in accordance with Ind ASs.</p>

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

The Company has adopted all the issued Ind ASs and such adoption was carried out in accordance with Ind AS 101 . First Time Adoption of Indian Accounting Standards. The Company has transitioned from Indian GAAP which is its previous GAAP, as defined in Ind AS 101.

The effect on reported financial position and financial performance of the Company on transition to Ind AS has been provided in Note 37 of Ind AS Opening Balance Sheet as on 1 April, 2015, which also includes reconciliations of total equity and total comprehensive income for comparative years under Indian GAAP to those reported for respective years under Ind AS.

The financial statements have been prepared on historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 . Share based Payments, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 . Inventories or value in use in Ind AS 36 . Impairment of Assets.

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

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

The principal accounting policies are set out below.

4.2 Property, Plant and Equipment

Property, plant and equipment held for use in the production or/ and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Initial Measurement

The initial cost at cash price equivalent of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any asset restoration obligation or obligatory decommissioning costs for its intended use.

Expenditure incurred on development of freehold land is capitalized as part of the cost of the land.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Subsequent expenditure

Subsequent expenditure on day- to- day servicing of an item of property, plant and equipment is recognised in profit or loss as incurred. However, expenditure on major maintenance or repairs including cost of replacing the parts of assets and overhaul costs where it is probable that future economic benefits associated with the item will be available to the Company, are capitalised and the carrying amount of the item so replaced is derecognised.

Insurance spares that are specific to a fixed asset and valuing more than Rs. 1 lakh per unit are capitalised along with the main assets. All other spares are recognised as inventory, except for spares which are having a useful life greater than a year and can to be identified as components in an asset are capitalised.

Capital work-in-progress

Assets in the course of construction for production or/ and supply of goods or services or administrative purposes, or for purposes not yet determined, are included under capital work in progress and are carried at cost, less any recognised impairment loss. Cost includes professional fees and for qualifying asset, borrowings costs capitalised in accordance with the Company's accounting policy. Such capital work in progress, is transferred to the appropriate category of property, plant and equipment when completed or starts operating as per management's intended use.

Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

Depreciation

Depreciation on assets are provided over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation on assets are provided on a straight line basis over the useful life of the asset in the manner prescribed under Schedule II of the Companies Act, 2013.

The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Property, plant and equipment which are subject to componentisation, comprises of main assets, componentised assets and remainders, if any. The useful life of remainders carry the life of main assets unless the same based on technical evaluation is considered to be lower than that of the main asset, in which case, such lower useful life is considered.

The residual value of property, plant and equipment are maintained at 5% of the original cost.

Subsequent expenditure related to an item of property, plant and equipment is prospectively depreciated over the revised useful life of respective assets.

The estimated range of useful lives are as follows: Years

Buildings	30 - 60
Plant and machinery	8- 10
Railway Siding	15
Motor Vehicles	8
Furniture and fixtures	10
Computers	3 - 10

Freehold land is not depreciated.

Depreciation commences when the assets are ready for their intended use. Depreciated assets on property, plant and equipment and accumulated depreciation thereon are retained fully until they are derecognised or classified as non-current assets held for sale.

Disposal of assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

	<p>Deemed cost on transition to Ind AS</p> <p>For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.</p>
4.3 Intangible Assets	<p>Intangible assets acquired separately</p> <p>Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses. Intangible assets having finite useful life are amortised over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.</p> <p>Mining Rights</p> <p>The costs of mining rights includes amounts paid for afforestation and wild life conservation as determined by the regulatory authorities are capitalised as “Mining rights” in the year in which they are incurred. Cost of pre-production primary development expenditure other than land, buildings, plant and equipment are capitalised as part of the cost of the mining property until the mining property is capable of commercial production. Capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial reserves of mining property and are subject to impairment review.</p> <p>Derecognition of intangible assets</p> <p>An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.</p> <p>Amortisation</p> <p>The estimated useful lives for the main categories of intangibles assets having finite useful life are as follows:</p> <p>(a) Acquired computer software are classified as intangible assets and carries a useful life of 4 years.</p> <p>(b) Mining Rights comprising of NPV and related payments made to government authorities for iron ore and manganese mines are amortised over the period of lease from the date of payment or date of renewal/ deemed renewal of mining lease whichever is earlier.</p> <p>Deemed cost on transition to Ind AS</p> <p>For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognized as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.</p>

<p>4.4 Impairment</p>	<p>Impairment of tangible and intangible assets</p> <p>At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.</p> <p>Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.</p> <p>If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.</p> <p>Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.</p>
<p>4.5 Investments in joint ventures</p>	<p>A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.</p> <p>Investment in joint ventures are accounted for at cost.</p>
<p>4.6 Provisions and contingencies</p>	<p>Provisions</p> <p>Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.</p>

	<p>(a) Restoration, rehabilitation and decommissioning</p> <p>An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine and other manufacturing facilities. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit or loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance and other cost in the statements of profit or loss.</p> <p>(b) Environmental liabilities</p> <p>Environment liabilities are recognised when the Company becomes obliged, legally or constructively to rectify environmental damage or perform remediation work.</p> <p>(c) Litigation</p> <p>Provision is recognised once it has been established that the Company has a present obligation based on consideration of the information which becomes available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.</p> <p>Contingent Liabilities</p> <p>Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.</p> <p>Contingent Assets</p> <p>Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.</p>
<p>4.7 Leasing</p>	<p>At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.</p> <p><u>The Company as lessor</u></p> <p>Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic</p>

	<p>rate of return on the Company's net investment outstanding in respect of the leases.</p> <p>Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.</p> <p><u>The Company as lessee</u></p> <p>Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.</p> <p>Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.</p> <p>Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.</p> <p>In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.</p>
<p>4.8 Inventories</p>	<p>Inventory of raw material, stores and spares are valued at cost net of CENVAT/ VAT credit wherever applicable. Cost is determined on moving weighted average price on real time basis.</p> <p>Inventories of finished goods, semi-finished goods and work in process are valued at lower of cost and net realizable value. Cost is generally determined at first in first out basis (FIFO) and includes appropriate share of labour and related overheads. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.</p> <p>Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Net realizable value is taken as per the latest available price provided by IBM.</p> <p>Provision is made for old/ obsolete/ surplus/ non- moving inventories as well as other anticipated losses considered wherever necessary.</p> <p>Where physical stock is more than the book stock, book stock is considered for valuation of stock. However, surplus stock is valued at ` 1 per LOT for the surplus stock available as on the date of closing.</p> <p>The excise duty payable on closing stock of finished goods at the time of sale is not considered in valuation of closing stock.</p>

<p>4.9 Trade receivable</p>	<p>Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.</p> <p>Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 18 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract.</p> <p>Loss allowance for expected life time credit loss is recognised on initial recognition.</p>
<p>4.10 Financial Instruments</p>	<p>All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.</p> <p>Classification of financial assets</p> <p>Financial assets are classified as „equity instrument. if it is a non-derivative and meets the definition of „equity. for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are „debt instruments..</p> <p>Financial assets at amortised cost and the effective interest method</p> <p>Debt instruments are measured at amortised cost if both of the following conditions are met:</p> <ul style="list-style-type: none"> • the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and • the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. <p>Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.</p> <p>Financial assets at fair value through other comprehensive income (FVTOCI)</p> <p>Debt instruments are measured at FVTOCI if both of the following conditions are met:</p> <ul style="list-style-type: none"> • the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and • the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial assets at FVTPL

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss is included in the other gains and losses line item.

Interest income on debt instruments at FVTPL is included in the net gain or loss described above.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Trade receivables, loans and other receivables are classified as subsequently measured at amortised cost. Trade and other receivables which does not contain any significant financing component are stated at their transaction value as reduced by impairment losses, if any.

Loans and other receivables are subsequently measured at amortized cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate (EIR) method.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit losses of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month

expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at their transaction cost, which is its fair value, and subsequently measured at amortised cost.

	<p>Offsetting financial instruments</p> <p>Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.</p>
4.11 Cash and cash equivalents	<p>Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with maturity of three months or less.</p>
4.12 Accounting for government grants	<p>Government grants are recognized when there is reasonable assurance that we will comply with the conditions attaching to them and that the grants will be received.</p> <p>Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.</p> <p>Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the statement of profit and loss in the period in which they become receivable.</p> <p>Grants related to income are presented under other income in the statement of profit and loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.</p>
4.13 Employee Benefits	<p>Retirement benefit, medical costs and termination benefits</p> <p>A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.</p> <p>For defined benefit retirement and medical plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds.</p>

In countries where there is a deep market in high-quality corporate bonds, the market rate on those bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation are used.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company provides retiring benefits in the nature of provident fund, superannuation and gratuity to its employees.

Obligations for contribution to provident fund and superannuation fund are classified as defined contribution plans whereas retiring gratuity is classified as defined benefit plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are

	<p>measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Other long-term employee benefits</p> <p>Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit retirement plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. These obligations are valued annually by independent qualified actuaries.</p> <p>The Company is providing benefits in the nature of compensated absences to its employees which are classified as other long-term employee benefits.</p>
4.14 Income Taxes	<p>Tax expense represents the sum of current tax and deferred tax.</p> <p>Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years. Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes:</p> <ul style="list-style-type: none"> • tax payable on the future remittance of the past earnings of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and • deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered. <p>Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in other comprehensive income is recognised in the statement of comprehensive income and not in the statement of profit or loss.</p> <p>The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.</p> <p>Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.</p>
4.15 Revenue recognition	<p>Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for estimated rebates and other similar allowances.</p>

Sales of Goods

The Company derives revenue principally from sale of iron, manganese and sponge iron. The lease rights of all the six mines have expired. Presently, all the six mines are inoperative due to non-availability of Forest and Environment clearance and hence the Company does not have any revenue from sale of goods.

Income from dividend, interest and rents

Dividend

Dividends income from investments are to be recognised when the right to receive the dividend is established.

Interest

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

Consideration received from the authorities for use of a part of the available facilities of the Company is recognized as revenue in the year of receipt/realization.

Claims are accounted for in the statement of Profit and Loss based on certainty of their realization.

4.16 First time adoption- mandatory exceptions, optional exemptions

4.16.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS of 1 April, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below:

4.16.2 Derecognition of financial assets and financial liabilities

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

4.16.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

4.16.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109

retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

4.16.5 Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

4.16.6 Deemed cost for property, plant and equipment and intangible assets

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

4.16.7 Determining whether an arrangement contains a lease

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

5. Critical accounting judgements and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in note 4, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (see note 5.2 below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

5.1.1 Financial assets at amortised cost:-

The management has reviewed the Company's financial assets at amortised cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. The carrying amount of these financial assets is Rs. 83,361.64 lakhs (31 March, 2016: Rs. 82,161.97 lakhs). Details of these assets are set out in note 33.

5.1.2 Provision for Restoration and rehabilitation of mining sites:-

Provisions are recognised for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mines. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised when incurred reflecting the Company's obligations at that time.

A corresponding provision is created on the liability side. The capitalised asset is recognised in the Statement of Profit or Loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period through unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

5.1.3 Ore reserve and mineral resource estimates

The Company estimates and reports ore reserves under the principles contained within the guidelines issued by the Indian Bureau of Mines (IBM) including:

- Future production estimates ;V which include proved and probable reserves, resource estimates and committed expansions.

5.1.4 Deferred stripping expenditure

The Company defers stripping (waste removal) costs incurred during the production phase of its operations. This calculation requires the use of judgements and estimates relating to the expected tonnes of waste to be removed over the life of the mining area and the expected economically recoverable reserves to be extracted as a result. This information is used to calculate the average life of mine strip ratio (expected waste to expected mineral reserves ratio). Changes in a mine's life and design will usually result in changes to the average life of mine strip ratio. These changes are accounted for prospectively. However, since the lease of mines have expired and not renewed till date, this is not applicable as on date.

5.2 Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may

have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

5.2.1 Useful lives of property, plant and equipment:

As described in note 4.2 above, the Company plans to review the estimated useful lives of property, plant and equipment at the end of each reporting period. However, since the lease of mines have expired and not renewed till date, the Company is not in a position to review and assess the useful lives of the assets constructed over such leases.

5.2.2 Fair value measurements and valuation processes:

Some of the Company.s assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.



6 - Property, plant and equipment and capital work-in-progress			
6.1 - Property, plant and equipment			
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Carrying amount of:			
Freehold land	0.28	0.28	0.28
Buildings	1,016.53	1,055.53	1,079.69
Roads	61.23	71.44	228.90
Furniture and fixtures	83.22	99.66	117.83
Plant and equipment	183.33	202.48	221.61
Electrical installation	48.79	58.80	88.31
Computers	3.90	4.22	15.63
Vehicles	0.59	0.59	0.59
Railway sidings	148.56	177.77	183.34
Total property, plant and equipment	1,546.43	1,670.77	1,936.18

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Carrying amount	Freehold land	Buildings	Roads	Furniture and fixtures	Plant and equipment	Electrical installation	Computers	Vehicles	Railway sidings	Total assets
Balance as at April 1, 2015	0.28	1,079.69	228.90	117.83	221.61	88.31	15.63	0.59	183.34	1,936.18
Additions	-	-	-	-	6.11	-	0.40	-	31.59	38.10
Depreciation expenses	-	(24.16)	(157.46)	(18.17)	(25.24)	(29.51)	(11.81)	-	(37.16)	(303.51)
Balance as at March 31, 2016	0.28	1,055.53	71.44	99.66	202.48	58.80	4.22	0.59	177.77	1,670.77
Additions	-	-	-	1.80	-	1.38	1.23	-	-	4.41
Disposals/	-	(14.90)	-	-	-	-	-	-	-	(14.90)
Depreciation expenses	-	(24.10)	(10.21)	(18.24)	(19.15)	(11.39)	(1.55)	-	(29.21)	(113.85)
Balance as at March 31, 2017	0.28	1,016.53	61.23	83.22	183.33	48.79	3.90	0.59	148.56	1,546.43

6.2 - Capital work-in-progress

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital work-in-progress	177.30	178.12	189.64
Less: Impairment loss on capital work-in-progress recognised in profit and loss	(54.50)	(12.07)	(12.07)
Total capital work in progress	122.80	166.05	177.57

Deemed cost	Capital work in progress
Balance as at April 01, 2015	189.64
Additions/(capitalisation)	(11.52)
Balance as at March 31, 2016	178.12
Additions/(capitalisation)	(0.82)
Balance as at March 31, 2017	177.30

6.2.1 Capital work-in-progress includes machinery or other fixed assets to be installed and unfinished construction and erection materials.

6.2.2 Building, Road, Rly. Siding and other permanent structure constructed on mining lease have been depreciated as per the rate prescribed in Schedule - II of the Companies Act, 2013 and not amortised over the mining lease period. The mining lease of the company have already been expired but not renewed upto the reporting date. The value of aforesaid assets not ascertained.

Notes to the Financial Statements

7- Intangible assets

Carrying amount of:	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Prospecting and development	-	-	-
Mining rights	4,125.46	4,485.85	4,698.84
Total intangible assets	4,125.46	4,485.85	4,698.84

Amount in Rs. Lakhs			
Cost or deemed cost	Prospecting and development	Mining rights	Total intangible assets
Balance as at April 01, 2015	-	4,698.84	4,698.84
Additions	-	167.27	167.27
Balance as at March 31, 2016	-	4,866.11	4,866.11
Additions	-	10.67	10.67
Balance as at March 31, 2017	-	4,876.78	4,876.78

Accumulated amortisation and impairment	Prospecting and development	Mining rights	Total intangible assets
Balance as at April 01, 2015	-	-	-
Amortisation expenses	-	(380.26)	(380.26)
Eliminated for disposal of assets	-	-	-
Balance as at March 31, 2016	-	(380.26)	(380.26)
Amortisation expenses	-	(371.06)	(371.06)
Eliminated for disposal of assets	-	-	-
Balance as at March 31, 2017	-	(751.32)	(751.32)

Carrying amount	Prospecting and development	Mining rights	Total intangible assets
Balance as at April 01, 2015	-	4,698.84	4,698.84
Additions	-	167.27	167.27
Amortisation expenses	-	(380.26)	(380.26)
Balance as at March 31, 2016	-	4,485.85	4,485.85
Additions	-	10.67	10.67
Amortisation expenses	-	(371.06)	(371.06)
Balance as at March 31, 2017	-	4,125.46	4,125.46

Notes:

7.1 Prospecting and development expenses incurred to prepare the mines ready for commercial exploration (i.e. in the nature of preliminary and preoperative expenses) are capitalized.

7.2 Expenditure incurred for obtaining required clearance to operate the mines subsequent to the allotment of their lease is capitalized as intangible assets under the heads mining rights. Although mining leases of the company have been expired, but company is still holding possession over all mines and confident of renewal of mines in near future. In view of as above, mining rights have been amortised over the period of 10 to 20 years, assuming likely renewal of mining lease.

Notes to the Financial Statements

8 - Investments

8.1 Investment in joint ventures

Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unquoted investments (all fully paid)			
Investments in equity instruments (classified as at cost)			
East India Minerals Limited (2,811,010 shares of Rs. 10 each fully paid up)	281.10	281.10	281.10
Total investment in joint ventures	281.10	281.10	281.10
Additional information			
Aggregate carrying value of unquoted investments	281.10	281.10	281.10
Aggregate amount of impairment in value of investments	-	-	-

8.1.1 Details of joint ventures

Details of each of the Company's joint ventures at the end of the reporting period are as follows:-

Proportion of ownership interest / voting rights held by the Company

Name of the joint venture	Principal Activity	Place of incorporation and principal place of business	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
East India Minerals Limited	Mining, Manufacturing and Trading	India	26%	26%	26%

8.2 Other investments

Amount in Rs. Lakhs

Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unquoted investments			
a) Investments in equity instruments (all fully paid)			
The Eastern Investments Limited (25,434 shares of Rs. 10 each fully paid up)	2.42	2.42	2.42
Woodlands Multi-speciality Hospital Limited (500 shares of Rs. 10 each fully paid up)	0.05	0.05	0.05
The Sijua (Jherriah) Electric Supply Co. Ltd. (100 shares of Rs. 10 each fully paid up)	0.01	0.01	0.01
Total - Investments in equity instruments (a)	2.48	2.48	2.48
* Amount is less than one lakh			
Quoted investment			
b) Investments in government securities			
8.95% Gujarat Electricity Bonds (March 31, 2016: 40 shares of Face Value Rs. 100,000 and April 01, 2015: 100 shares of Face Value Rs. 100,000)	-	41.66	74.15
Total - investments in government securities (b)	-	41.66	74.15
Total - other non-current investments (a+b)	2.48	44.14	76.63
Additional information			
Aggregate amount of quoted investments and market value thereof	-	41.66	74.15
Aggregate amount of unquoted investments	2.48	2.48	2.48
Aggregate amount of impairment in value of investments	-	-	-

8.3 Category-wise other investments - as per Ind AS 109 classification

Amount in Rs. Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Financial assets mandatorily measured at fair value through profit or loss (FVTPL)	2.48	2.48	2.48
Amortised cost	-	41.66	74.15
Total	2.48	44.14	76.63

8.4 The Company had entered into a joint venture with M/s Usha (India) Ltd. for managing the assets of M/s East India Minerals Ltd. (EIML). However over the period, the company has not any finance control over the said company. The matter is under dispute and present status of the company and loss if any on account of diminution in value not ascertained and provided for. Further, in view of above, the financial statement of the said Joint Venture Company has not been considered for Consolidation of Financial Statements.

Notes to the Financial Statements

9 - Trade receivables

Amount in Rs. Lakhs

Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Trade receivables			
(a) Unsecured, considered good	-	-	-
(b) Unsecured, considered doubtful	223.75	224.19	224.03
Less: Allowance for doubtful trade receivables (expected credit loss allowance)	(223.75)	(224.19)	(224.03)
Net trade receivables	-	-	-

Notes

9.1 Trade receivables

The sale of goods is made against advances received from customer. The advance received from customer is adjusted on supply of material. There is no credit period allowed for such sales and accordingly no interest is to be charged. The trade receivable appearing in the books represents amount receivable recognised against the debtors towards the debit notes raised on the customers due to changes in Government levies (Royalty on ad-volera basis by IBM). The Company has raised such debit notes on the basis of retrospective recomputation of the sales made in the past period from which the retrospective levies have been made applicable by the Government.

9.2 Age of receivables (at gross)

Amount Rs. in Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Within the credit period	-	-	-
1-90 days past due	-	-	-
More than 90 days past due	-	-	-
More 6 months due	223.75	224.19	224.03
	223.75	224.19	224.03

9.3 Movement in amounts of provision for doubtful trade receivables

Amount Rs. in Lakhs

Balance as at April 01, 2015	(224.03)
(Addition)/reversal	(0.16)
Balance as at March 31, 2016	(224.19)
(Addition)/reversal	0.44
Balance as at March 31, 2017	(223.75)

10 - Loans

Amount Rs. in Lakhs

Non current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(1) Loans to employees Unsecured, considered good	86.70	102.14	80.26
(2) Loans to others Unsecured, considered doubtful	24.52	7.24	24.52
Gross other financial assets	111.22	109.38	104.78
Less: Allowance for bad and doubtful loans			
(I) Loans to others	(24.52)	(24.52)	(24.52)
Less: Allowance for bad and doubtful loans	(24.52)	(24.52)	(24.52)
Net other financial assets	86.70	84.86	80.26

Notes

Amount Rs. in Lakhs

10.1 The financial assets are carried at amortised cost.

10 Movement in amounts of provision for bad and doubtful loans

Balance as at April 01, 2015	(24.52)
Addition/(Reversal)	-
Balance as at March 31, 2016	(24.52)
Addition/(Reversal)	-
Balance as at March 31, 2017	(24.52)

Notes to the Financial Statements

11 - Other financial assets

Amount in Rs. Lakhs

Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(1) Term deposits having a maturity more than 12 months	100.00	156.00	156.00
Net other financial assets	100.00	156.00	156.00
Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Security deposits and earnest money deposits Unsecured, considered good	203.94	198.69	194.96
(b) Interest accrued on			
1 Term deposits			
Unsecured, considered good	2,598.46	1,766.08	2,232.98
2 Other investments	-	3.22	5.64
Unsecured, considered good	-	-	-
(c) Other receivables			
(1) Amount receivable from related party			
Unsecured, considered good	110.39	104.00	96.84
Unsecured, considered doubtful	171.96	171.96	171.96
2 Amount receivable from others			
Unsecured, considered good	25.40	24.30	20.05
Gross other financial assets	3,110.15	2,268.25	2,722.43
Less: Allowance for bad and doubtful other financial assets			
(a) Other receivables			
(1) Amount receivable from related party	171.96	171.96	171.96
Less: Allowance for bad and doubtful other financial assets	171.96	171.96	171.96
Net other financial assets	2,938.19	2,096.29	2,550.47

11.1 The financial assets are carried at amortised cost.

11.2 Movement in amounts of provision for bad and doubtful other financial assets

Amount in Rs. Lakhs

Provision for bad and doubtful other financial assets	171.96
Addition/(reversal)	-
Balance as at March 31, 2016	171.96
Addition/(reversal)	-
Balance as at March 31, 2017	171.96

Notes to the Financial Statements

12 - Other assets		Amount in Rs. Lakhs		
Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	
(a) Prepaid lease payments for leased lands (refer note 12.1)	159.38	182.50	205.83	
(b) Prepaid expenses towards employee loans	3.61	5.88	9.58	
Total non-current other assets	162.99	188.38	215.41	
Classification of other current assets:				
Secured, considered good	-	-	-	
Unsecured, considered good	162.99	188.38	215.41	
Doubtful	-	-	-	
Gross non-current other assets	162.99	188.38	215.41	
Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	
(i) Advances				
(a) Advances to suppliers and service providers	72.04	131.19	129.80	
(b) Advances to related party	1.83	1.83	1.83	
(c) Other advances	262.48	227.25	228.30	
(ii) Advance to employees				
Unsecured, considered good	47.59	33.32	50.36	
(iii) Others				
(a) Prepaid lease payments for leased lands (refer note 12.1)	23.81	23.81	23.81	
(b) Prepaid expenses towards employee loans	3.70	3.70	3.70	
(c) Others prepaid expenses	4.31	14.54	51.64	
Gross current other assets	415.76	435.64	489.44	
Less: Allowance for bad and doubtful other current assets				
(i) Advances				
(a) Advances to suppliers and service providers	60.33	60.33	60.33	
(b) Advances to related party	1.83	1.83	1.83	
(c) Other advances	227.24	227.24	227.24	
Total allowance for bad and doubtful other current assets	289.40	289.40	289.40	
Total other assets	126.36	146.24	200.04	
Classification of current other assets:				
Secured, considered good	-	-	-	
Unsecured, considered good	126.36	146.24	272.60	
Doubtful	289.40	289.40	578.80	
Gross current other assets	415.76	435.64	851.40	

12.1 Prepaid lease prepayments for leasehold land also includes prepayments towards 4,365.282 hector acres of land in respect of which lease deeds are yet to be renewed and the Company has not been permitted to carry on its operations by the Government on the said land.

12.2 Movement in amounts of provision for bad and doubtful other assets

	Amount Rs. in lakhs
Balance as at April 01, 2015	578.80
Addition/(reversal)	(289.40)
Balance as at March 31, 2016	289.40
Addition/(reversal)	-
Balance as at March 31, 2017	289.40

12.3 Prepaid expenses towards employee loans represents difference amount between actual interest charge from employee and notional interest at a Standard Rate of 9.25% for Motor Vehicle Loan and 8.55% for House Building Advances. The said amount would be amortised over the period of loan amount.

Notes to the Financial Statements

13 - Tax assets and tax liabilities

A. Tax assets

Amount in Rs. Lakhs

Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Income Tax	5,853.07	5,995.87	5,054.20
Total non-current tax assets	5,853.07	5,995.87	5,054.20
Classification of non-current tax assets			
Secured, considered good	-	-	-
Unsecured, considered good	5,853.07	5,995.87	5,054.20
Doubtful	-	-	-
Total non-current tax assets	5,853.07	5,995.87	5,054.20

B. Tax liabilities

Amount in Rs. Lakhs

Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Income tax payable	3,227.56	3,678.89	2,944.84
Total current tax liabilities	3,227.56	3,678.89	2,944.84
Classification of current tax liabilities			
Secured, considered good	-	-	-
Unsecured, considered good	3,227.56	3,678.89	2,944.84
Doubtful	-	-	-
Total current tax liabilities	3,227.56	3,678.89	2,944.84

13.1 Pending reconciliation and adjustment of Income Tax payment against liability, both the figures have been shown as gross.

14 - Inventories

Amount in Rs. Lakhs

(Lower of cost or net relisable value)	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Raw materials	47.46	47.45	47.37
(b) Finished goods	2,146.72	1,987.57	2,482.03
(c) Stores and spares	130.18	131.94	141.34
Total inventories	2,324.36	2,166.96	2,670.74

"The cost of inventories recognised as an accretion during the year was Rs.157.40 Lacs (decretion for the year ended March 31, 2016: Rs. 503.78 Lacs).

15A - Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks at the end of the reporting period as shown below:

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Cash on hand	0.46	0.14	0.29
(b) Balances with banks			
(1) Balance with scheduled banks			
(i) In current account	278.75	439.22	129.93
(ii) In deposit account (having maturity less than 3	12,700.00	2,211.44	1,405.81
Total cash and cash equivalents	12,979.21	2,650.80	1,536.03

Notes to the Financial Statements

15B - Bank balances other than cash and cash equivalents

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Bank balances other than cash and cash equivalents			
(1) Balance with scheduled banks			
(i) Earmarked Balance with scheduled banks	580.38	526.64	545.79
(ii) In deposit account (having maturity between 3-12	66,650.00	76,578.56	75,091.19
Total other bank balances	67,230.38	77,105.20	75,636.98

Note:

Bank balances other than cash and cash equivalent represents amount deposited in scheduled banks towards unpaid dividends.

16 - Share capital

Amount in Rs. Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Equity share capital	60.00	60.00	60.00
	60.00	60.00	60.00
Authorised share capital:			
6,000,000 fully paid shares of Re. 1/- each	60.00	60.00	60.00
	60.00	60.00	60.00
Issued and subscribed share capital comprises:			
6,000,000 fully paid shares of Re. 1/- each	60.00	60.00	60.00
	60.00	60.00	60.00

16.1 Fully paid equity shares

	No. of shares (in lakhs)	Amount in Rs. lakhs
Balance as at 01.04.2015	60.00	60.00
Issue of shares	-	-
Balance as at 31.03.2016	60.00	60.00
Issue of shares	-	-
Balance as at 31.03.2017	60.00	60.00

(a) The Company has only one class of equity shares having a par value of Re. 1/- each. Each share holder is eligible for one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

16.2 Details of shares held by each shareholder holding more than 5% of shares

Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of shares held	% of holding of shares	No. of shares held	% of holding of shares	No. of shares held	% of holding of shares
1. Eastern Investments Limited	30,00,890.00	50.01%	30,00,890.00	50.01%	30,00,890.00	50.01%
2. Life Insurance Corporation of India	9,25,000.00	15.42%	9,25,000.00	15.42%	9,25,000.00	15.42%
3. Others	20,74,110.00	34.57%	20,74,110.00	34.57%	20,74,110.00	34.57%
	60,00,000.00	100%	60,00,000.00	100%	60,00,000.00	100%

16.3 The details of shares held by the holding company is also covered in the note no. 16.2

16.4 A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	Equity Shares		
	Number	Face Value (Rs.)	Rs. in lakhs
Shares outstanding as at the beginning of the year	60,00,000.00	Re. 1/-	60.00
Shares outstanding as at the end of the year	60,00,000.00	Re. 1/-	60.00

Notes to the Financial Statements

17 - Other equity

Amount in Rs. Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
General reserve	32,474.35	32,415.73	32,309.41
Retained earnings	51,546.02	51,210.41	50,572.50
Total	84,020.37	83,626.14	82,881.91

Reserves and surplus

Amount in Rs. Lakhs

	Retained earnings		
	General reserve	Profit and loss	Total
Other equity			
Balance as at April 01, 2015	32,309.41	50,572.50	82,881.91
Profit for the year	-	1,094.25	1,094.25
Other comprehensive income for the year, net of taxes	-	(31.09)	(31.09)
Payment of dividend	-	(318.94)	(318.94)
Appropriation to reserves	106.32	(106.32)	-
Balance as March 31, 2016	32,415.73	51,210.40	83,626.13
Profit for the year	-	656.43	656.43
Other comprehensive income for the year, net of taxes	-	(70.25)	(70.25)
Payment of dividend	-	(191.94)	(191.94)
Appropriation to reserves	58.62	(58.62)	-
Balance as March 31, 2017	32,474.35	51,546.02	84,020.37

17.1 The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

17.2 The amount in the general reserve that can be distributed by the Company as dividends to its equity shareholders is determined based upon the Company's financial statements and also considering the requirements of the Companies Act, 2013.

"17.3 On 31.03.2016, final dividend of Rs. 2.66 per share (total dividend amounting to Rs. 191.94 lakhs including dividend tax). [On 01.04.2015, final dividend paid was Rs. 4.43 per share (total dividend amounting to Rs. 318.94 lakhs including dividend tax)]. In respect of the year ended 31.03.2017, the directors propose that a final dividend of Rs. 1.4655 per share be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 87.93 Lakhs and dividend tax of Rs.17.90 Lakhs.

18 - Trade payables

Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(1) Total outstanding dues of micro enterprises and small enterprises (See note 18.1 below)	-	-	-
(2) Total outstanding dues of trade payables other than micro enterprises and small enterprises			
Trade payables for supplies and services	225.51	206.39	176.07
Total current trade payables	225.51	206.39	176.07

Notes:

18.1 There are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 which have been determined to the extent such parties have been identified on the basis of information available with the Company.

19 - Other financial liabilities

Amount in Rs. Lakhs

Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Unpaid dividends (refer note 19.1 below)	91.04	122.00	155.06
(b) Creditors for other liabilities			
(1) Earnest monetary deposit and security deposits from customers	1,854.12	1,913.44	1,971.76
(2) Others	768.85	746.66	663.00
Total current other financial liabilities	2,714.01	2,782.10	2,789.82

Notes:

19.1 Unpaid dividend include Rs. 50.16 lakhs for disputed dividend as on March 31, 2017 (Rs. 43.79 lakhs as on March 31, 2016).

19.2 There are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 which have been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to the Financial Statements

20 - Provisions

Amount in Rs. Lakhs

Non-current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Provision for employee benefits			
(1) Retirement benefits obligations			
(i) Retiring gratuity	89.92	24.77	17.33
(2) Other Long-term employee benefits			
(ii) Compensated absences	383.66	361.11	288.21
Total non-current provisions	473.58	385.88	305.54
Current	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Provision for employee benefits			
(1) Other Long-term employee benefits			
(i) Compensated absences	80.23	43.94	68.97
(2) Other employee related provisions			
(i) Provision for pay revision	3,171.17	2,895.10	2,587.50
(b) Other provisions			
(1) Provision for site reclamation	286.55	286.55	286.55
(2) Other legal obligations	1,912.90	1,643.93	1,743.93
(3) Other provisions	3.83	3.83	6.00
Total current provisions	5,454.68	4,873.35	4,692.95

20.1 Movement in the balances of provision during the year

Other provisions

	Provision for pay revision [See note (i)]	Provision for site reclamation [See note (ii)]	Other legal obligations [See note (iii)]	Other provisions
Balance as at April 01, 2015	2,587.50	286.55	1,743.93	6.00
Reduction arising from payment/reversal	307.60	-	(100.00)	(2.17)
Balance as at March 31, 2016	2,895.10	286.55	1,643.93	3.83
Additional provision recognised	276.07	-	268.97	-
Balance as at March 31, 2017	3,171.17	286.55	1,912.90	3.83

Notes

(i) Pay Revision of employees:

The provision is recognised with respect to the pay revision of the employees of Central Public Sector Enterprises, the same is provided for in the books of accounts with effect from 1st April, 2010 on basis of the difference in Basic Pay (approximately 90% increase) and Industrial Dearness Allowance (approximately 150% decrease) between 1997 and 2007 Pay Scale. Calculation made on basis of the present basic pay and IDA component of the existing employees."

(ii) Provision for site reclamation:

Provision for site reclamation is made with respect to the restoration of the mines and are made against the demand raised by the various mining related departments of Government for site reclamation and restoration as required under the Mining laws. Balance amount for site reclamation based on revised calculation is provided in contingent liability.

Notes to the Financial Statements

21 - Deferred tax liabilities

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Amount in Rs. Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred tax assets	209.86	134.01	173.12
Deferred tax liabilities	(990.40)	(924.59)	(869.69)
	(780.54)	(790.58)	(696.57)

2016-17	Opening balance as at 01.04.2016	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2017
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Deferred tax (liabilities) / assets:

Tax effect of items constituting deferred tax liabilities

On difference between book balance and tax balance of fixed assets	924.59	65.81	-	990.40
	924.59	65.81	-	990.40

Tax effect of items constituting deferred tax assets

Provision for compensated absences, gratuity and other employee benefits recognised in profit and loss	38.07	(7.64)	-	30.43
Tax impact on remeasurement gain/(loss) arising from defined benefit obligation	16.01	-	37.18	53.19
Provision for doubtful debts / advances	0.06	(0.06)	-	-
Disallowances under section 43B of the Income Tax Act, 1961	79.87	46.37	-	126.24
	134.01	38.67	37.18	209.86
Deferred tax (liabilities) / assets (net)	790.58	27.14	(37.18)	780.54

2015-16	Opening Balance as at 01.04.2015	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2016
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Deferred tax (liabilities) / assets:

Tax effect of items constituting deferred tax liabilities

On difference between book balance and tax balance of fixed assets	869.69	54.90	-	924.59
	869.69	54.90	-	924.59

Tax effect of items constituting deferred tax assets

Provision for compensated absences, gratuity and other employee benefits	9.06	29.01	-	38.07
Tax impact on remeasurement gain/(loss) arising from defined benefit obligation	-		16.01	16.01
Provision for doubtful debts / advances	24.83	(24.77)	-	0.06
Disallowances under Section 43B of the Income Tax Act, 1961	139.23	(59.36)	-	79.87
	173.12	(55.12)	16.01	134.01
Deferred tax (liabilities) / assets (net)	696.57	110.02	(16.01)	790.58

Notes to the Financial Statements

22 - Other liabilities

		Amount in Rs. Lakhs		
Current		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	Advances received from customers	279.59	282.43	285.16
(ii)	Statutory dues			
(a)	Property tax and others	161.11	162.91	150.42
(iii)	Other credit balances	482.58	389.84	287.17
Total other liabilities		923.28	835.18	722.75

Notes

(i) Other credit balances include the amount of liabilities towards liabilities for surface rent and royalty Rs. 468.14 lakhs as at March 31, 2017, Rs. 350.92 lakhs as at March 31, 2016 and April 01, 2015.

23 - Other income

		Amount in Rs. Lakhs	
		For the year ended	For the year ended
(a)	Interest income from		
(1)	Bank deposits	6,065.89	6,804.32
(2)	Non-current investment	-	4.21
(3)	Others	5.64	7.67
(b)	Interest benefits on amortisation of employee loans	2.27	3.70
(c)	Liabilities no longer required written back	230.55	167.64
(d)	Miscellaneous income	13.27	13.12
Total other income		6,317.62	7,000.66

24 - Changes in inventories of finished goods and work-in-progress

		Amount in Rs. Lakhs	
		For the year ended 31.03.2017	For the year ended 31.03.2016
	Iron Ore	1,394.26	1,328.63
	Manganese Ore	752.46	637.31
	Sponge Ore	-	21.64
	Coal	47.23	47.22
	Dolomite	0.23	0.23
		2,194.18	2,035.03

25 - Employee benefit expense

		Amount in Rs. Lakhs	
		For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Salaries and wages, including bonus	1,989.02	2,016.76
(b)	Contribution to provident and other funds	304.18	305.04
1	Provident Fund and other funds	188.59	191.60
2	Superannuation Fund	54.19	53.07
3	Gratuity	61.40	60.37
(c)	Staff welfare expenses	254.93	211.22
Total employee benefit expense		2,548.13	2,533.02

Notes to the Financial Statements

26 - Finance costs

Amount in Rs. Lakhs

	For the year ended 31.03.2017	For the year ended 31.03.2016
(a) Interest expense	-	-
Total finance costs	-	-

27 - Depreciation and amortisation expenses

Amount in Rs. Lakhs

	For the year ended 31.03.2017	For the year ended 31.03.2016
Depreciation of plant, property and equipment	113.85	303.51
Amortisation of intangible assets	371.08	380.26
Total depreciation and amortisation	484.93	683.77

28 - Other expenses

Amount in Rs. Lakhs

	For the year ended 31.03.2017	For the year ended 31.03.2016
(a) Stores and spares consumed	27.53	20.49
(b) Repairs to buildings	32.83	33.06
(c) Repairs to machinery	26.26	30.64
(d) Repairs to Others	133.31	114.20
(e) Purchase of power and fuel	136.85	146.51
(f) Rent expenses	57.18	46.96
(g) Royalty, dead rent or surface rent	251.94	255.61
(h) Rates and taxes	104.50	46.19
(i) Insurance charges	2.84	1.54
(j) Provision for doubtful debts and advances	-	0.17
(k) Auditors remuneration and out-of-pocket expenses (Refer no. 28.1)	8.40	7.57
(l) Advertisement expenses	4.57	5.65
(m) Travelling Expenses	0.04	29.91
(n) Security expenses	203.09	163.31
(o) Corporate Social Responsibility expenses (Refer note no. 28.2)	13.79	72.99
(p) Environment protection expenses	8.99	20.26
(q) Hotel and incidental expenses	46.14	22.33
(r) Legal and judicial expenses	4.01	4.04
(s) Printing and stationery expenses	11.44	13.78
(t) Communication expenses	10.37	9.88
(u) Loss on redemption of investment	16.55	2.49
(v) Provision for capital work in progress	42.44	-
(w) Amortisation of prepaid expenses on employee loans	2.27	3.70
(x) AGM / Annual Day / Board Meeting Expenditure	5.99	5.56
(y) Passage Fare	75.27	28.70
(z) Law Charges	100.00	40.35
(aa) Consultancy Charges	398.59	16.55
(ab) Motor Car Expenses	102.01	89.31
(ac) Other general expenses	380.27	119.73
Total other expenses	2,207.47	1,351.50

Note: Rates & Taxes:-Earlier Service Taxes of different contracts was booked under the expenditure head. As per the advice of CAG & Statutory Auditor, Service Tax of all the contracts has been booked under Service Tax - Revenue Head under Rates & Taxes.

Consultancy Charges:- Paid to Income Tax Consultant for higher Income Tax Demand by Dept.

Law Charges:- Appintment of Addl. Solicitor General for Case with EIML(Joint Venture Company).

Notes to the Financial Statements

28.1 Details of Auditor's remuneration for the year ended:

	For the year ended 31.03.2017	For the year ended 31.03.2016
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	7.41	5.31
(ii) For Taxation matters	0.66	0.57
(iii) For Other services	-	1.69
(iv) For reimbursement of expenses	0.33	-
	8.40	7.57

28.2 Expenditure on Corporate social responsibility:

- a. Gross amount required to be spent by the Company during the year March 31, 2017 : Rs. 46.00 lakhs (March 31, 2016 Rs 73.00 lakhs)
b. Amount spent during the year ended March 31, 2017 (figures in brackets represents amount for the previous year)

Amount in Rs. lakhs

Particulars	Paid (A)	Yet to be Paid (B)	Total (A)+(B)
(i) Construction/Acquisition of any asset	- (-)	- (-)	- (-)
(ii) On purposes other than (i) above	13.79 (72.99)	3.64 (21.42)	17.43 (94.41)
Total	13.79 (72.99)	3.64 (21.42)	17.43 (94.41)

c. Details of related party transactions

(i) Contribution during the year	Nil	Nil	Nil
(ii) Payable as at the year end	Nil	Nil	Nil

29. Income taxes

29.1 Income taxes recognised in profit and loss

Amount in Rs. lakhs

	For the year ended 31.03.17	For the year ended 31.03.16
In respect of the current year	552.67 552.67	734.05 734.05
Deferred tax	27.14	110.02
In respect of the current year	27.14	110.02
Total income tax expense recognised in the current year relating to continuing operations	579.81	844.07

29.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

Amount in Rs. lakhs

	For the year ended 31.03.17	For the year ended 31.03.16
Profit before tax	1,236.24	1,938.32
Income tax expense calculated at 34.608% (2015-16: 33.99%)	427.84	658.83
Effect of Income Tax that is exempt from taxation		
Effect of expenses that are not deductible in determining taxable profit	151.97	185.23
Current tax in respect of the previous years	-	-
Income tax expense recognised in profit or loss	579.81	844.06

Notes to the Financial Statements

29.3 Income tax recognised in other comprehensive income

Amount in Rs. lakhs

	For the year ended 31.03.17	For the year ended 31.03.16
Deferred tax		
Arising on Income and expenses recognised in other comprehensive income	37.18	16.01
Total income tax recognised in other comprehensive income	37.18	16.01
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	37.18	16.01
	37.18	16.01

30 - Segment information

30.1 Products from which reportable segments derive their revenues

- Iron Ore
- Manganese
- Sponge Iron

30.2 Segment revenues and results

The following is an analysis of the Company's revenue and results from operations by reportable segment

	Segment revenue		Segment profit	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Iron ore segment	-	-	(2,723.21)	(2,419.98)
Manganese segment	-	-	(148.00)	(591.01)
Sponge iron segment	-	-	(88.80)	(0.46)
Unallocated	-	-	(2,121.37)	(2,050.89)
Total for operations	-	-	(5,081.38)	(5,062.34)
Other income			6,317.62	7,000.66
Profit before Tax			1,236.24	1,938.32
Tax expenses			(579.81)	(844.07)
Total profit from operations			656.43	1,094.25

30.3 Segment assets and liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Segment assets			
Iron ore segment	1,332.10	1,332.10	1,850.12
Manganese segment	637.31	637.31	571.80
Sponge iron segment	298.01	298.01	302.77
Total segment assets	2,267.42	2,267.42	2,724.69
Unallocated	95,612.10	94,971.09	92,545.76
Consolidated total assets	97,879.52	97,238.51	95,270.45
Segment liabilities			
Iron ore segment	-	-	-
Manganese segment	-	-	-
Sponge iron segment	-	-	-
Total segment liabilities	-	-	-
Unallocated	13,799.16	13,552.37	12,328.54
Consolidated total liabilities	13,799.16	13,552.37	12,328.54

Notes to the Financial Statements

30.4 Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Iron ore segment	-	-	-	-
Manganese segment	-	-	-	-
Sponge iron segment	3.25	2.16	-	-
Unallocated	481.68	681.61	15.08	205.37
Total for operations	484.93	683.77	15.08	205.37

In addition to depreciation and amortisation reported above, impairment losses of Rs. 42.43 (2015-2016:Nil) was recognised in respect of capital work-in-progress. These impairment losses were not attributable to the any specific reportable segments.

30.5 Revenue from major products

The following is an analysis of the Company's revenue from operations from its major products and services

	Year ended 31.03.2017	Year ended 31.03.2016
Iron ore segment	-	-
Manganese segment	-	-
Sponge iron segment	-	-
Unallocated	6,317.62	7,000.66
	6,317.62	7,000.66

30.6 Geographical information

The Company operates mainly in principal geographical areas-India only and the Company does not have any other operation in any Country outside India. Accordingly, the Geographical information will only be applicable to India.

	Revenue from external		Non-current assets*		
	Year ended 31.03.2017	Year ended 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
India	-	-	12,281.03	13,073.02	12,676.19
Outside India	-	-	-	-	-
	-	-	12,281.03	13,073.02	12,676.19

30.7 Information about major customers

The Company is currently not operating because the non-renewal of lease hold agreement and mining licenses with effect from FY 2009-10 and accordingly, there is no sale of goods in the last few years, therefore there are no major customers that can be identified to be reported for disclosure purpose until the operation are resumed again.

31 - Earnings per share

	Year ended 31.03.2017 Rs. per share	Year ended 31.03.2016 Rs. per share
Basic and diluted earnings per share	10.94	18.24

31.1 Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended 31.03.2017	Year ended 31.03.2016
	656.43	1,094.25
Earnings used in the calculation of basic and diluted earnings per share	656.43	1,094.25
	As at 31.03.2017	As at 31.03.2016
	Quantity in lakhs	Quantity in lakhs
Weighted average number of equity shares outstanding for the purposes of basic and diluted earnings per share	60.00	60.00

Notes to the Financial Statements

32 - Employee benefit plan

32.1 Defined contribution plan

a) Provident fund: Company pays fixed contribution to Provident Fund at the rate of 12 % on Basic & IDA.

32.2 Defined benefit plans

a) Gratuity: Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more and maximum payable amount is calculated as per Gratuity Act. The gratuity amount is covered under "the Gratuity cum Life Insurance Scheme" with LIC of India and the provision on account of gratuity is being made as per the actuarial valuation.

These plans typically expose the group to actuarial risks such as actuarial risk, investment risk, interest risk, longevity risk and salary risk.

i. Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at there signiation date."

ii. Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

iii. Interest risk: A decrease in interest rate will increase the plan liability; however, this will be paritally offset by an increase in the return on the plan assets.

iv. Longevity risk: The present value of the defined benefit plan liability is calculated by refernce to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

v. Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2017 by M/s. Kapadia Actuaries and Consultants, a firm with fellow of the Institute of Actuaries of India. The present value of defined benefit obligation and the related current service cost were measured using the projected unit credit method.

The principal assumptions used for the purposes of the acturial valuations were as follows:

	Valuation as at		
	31-Mar-17	31-Mar-16	01-Apr-15
Discount rate(s)	7.25%	7.75%	7.95%
Expected rate(s) of salary increase	6.00%	5.00%	5.00%
Withdrawal rate	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:-

	Amount in Rs. lakhs	
	Year ended 31.03.2017	Year ended 31.03.2016
Service cost		
Current service cost	61.89	61.41
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	(0.49)	(1.04)
Components of defined benefit costs recognised in profit or loss	61.40	60.37
Remeasurement on the net defined benefit liability:		
Return on plan assets excluding amounts included in interest income	1.18	22.64
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	62.42	(12.42)
Actuarial (gains)/losses arising from experience assumptions	46.19	36.88
Components of defined benefit costs recognised in other comprehensive income	109.79	47.10
Total	171.19	107.47

The current service cost and the net interest expense for the year are included in the "Employee benefits expense" line item in the statement of profit and loss. The remeasurement of the net defined liability is included in other comprehensive income.



The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

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Movements in the fair value of the plan assets are as follows:

	Gratuity
Opening fair value of plan assets as at April 01, 2015	1,253.85
Interest income	88.05
Return on plan assets (excluding amounts included in net interest expense)	22.64
Contribution from the employer	54.76
Benefits paid	(186.47)
Closing fair value of plan assets as at March 31, 2016	1,232.83
Interest income	89.14
Return on plan assets (excluding amounts included in net interest expense)	1.18
Contribution from the employer	103.68
Benefits paid	(215.69)
Closing fair value of plan assets as at March 31, 2017	1,211.14

The fair value of the plan assets for India and overseas plan at the end of the reporting period for each category, are as follows

	31-Mar-17	31-Mar-16	01-Apr-15
Life Insurance of India (100%)	1,211.14	1,232.83	1,253.85
Total	1,211.14	1,232.83	1,253.85

32.3 - Sensitivity analysis of defined benefit plans

32.3.1 Significant actuarial assumption for determination of defined benefit plan are discount rate, expected salary growth, attrition rate and mortality rate. The sensitivity analysis below have been based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

32.3.2 Sensitivity analysis

	Amount in Rs. lakhs			
	31-Mar-16		31-Mar-17	
	Gratuity		Gratuity	
Particulars	Increase	Decrease	Increase	Decrease
Impact on amount due to change in Discount rate (-/+0.5%)	31.66	(30.11)	33.65	(31.98)
% Change compared to base due to sensitivity [+ / (-)%]	2.50%	-2.40%	2.60%	-2.50%
Impact on amount due to change in Salary growth (-/+0.5%)	(31.39)	30.00	30.77	(31.04)
% Change compared to base due to sensitivity [+ / (-)%]	-2.50%	2.40%	2.40%	-2.40%
Impact on amount due to change in withdrawal rate (-/+10%)	(3.24)	2.99	3.12	(3.38)
% Change compared to base due to sensitivity [+ / (-)%]	-0.26%	0.24%	0.20%	-0.30%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using projected unit credit method at the end of the reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to the Financial Statements

33-34 - Financial Instruments

33.1 Categories of financial instruments

Amount in Rs. lakhs

Financial Assets	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured			
(i) Equity investments	2.48	2.48	2.48
Total financial assets mandatorily measured at fair value through profit or loss (FVTPL)	2.48	2.48	2.48
Measured at amortised cost			
(a) Investment in bonds	-	41.66	74.15
(b) Cash and bank balances	80,209.59	79,756.00	77,173.01
(c) Trade receivables	-	-	-
(d) Loans	86.70	84.86	80.26
(e) Other financial assets	3,038.19	2,252.29	2,706.47
Total financial assets measured at amortised cost	83,334.48	82,134.82	80,033.89
	83,336.96	82,137.30	80,036.37
Financial Liabilities			
Measured at amortised cost	2,939.52	2,988.49	2,965.89
	2,939.52	2,988.49	2,965.89

33.3 Financial risk management objectives

The Company's principal financial instruments comprise financial liabilities and financial assets. The Company's principal financial liabilities comprises trade payable and other financial liabilities. The main purpose of these financial instruments is to manage short-term cash flow and raise finance for the Company's capital expenditure program. The Company has various financial assets such as trade receivable and cash and short-term deposits, which arise directly from its operations.

Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are market risks, comprising commodity price risk, cash flow interest rate risk and foreign currency risk and liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

33.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's financial instrument Market prices comprise three types of risk: currency risk, interest rate risk and other price risk which include equity price risk and commodity price risk. Financial instruments affected by market risk include loans, trade receivables, other financial assets, trade payables and other financial liabilities. The sensitivity analyses have not been prepared as there is no amount outstanding as debt, having either fixed or floating interest rates, no derivatives financial instruments and no financial instruments in foreign currencies.

33.5 Foreign currency risk management

The Company does not undertake any transaction in foreign currency, consequently, exposures to exchange rate fluctuation does not arise. The Company has all entered all the transaction in currency which is the functional currency and accordingly the foreign currency risk has been minimised to a very low level. Foreign currency sensitivity analysis has not been performed considering the fact that there will not be any impact on the profit or loss of the Company, as there are no foreign currency monetary items.

33.6 Interest rate risk management

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. As the Company does not have any borrowings there is not a significant exposure to the interest rate risk but only to the extent of recognition interest portion of financial instrument classified at amortised cost. The Company manages its interest risk exposure relating to the financial instrument classified at amortised cost by using the market interest rate as the effective interest rate and the changes in the assets liabilities is accounted for as interest income/expenses with respect to financial assets/financial liabilities respectively. However, as there is no primary exposure to the interest rate risk the sensitivity analysis has not been performed by the Company.

33.7 Other price risks

The Company is exposed to other price risks which include equity price risk and commodity price risks. The Company holds investment for strategic rather than trading purposes. The sensitivity analysis on the profit due changes in equity prices has been performed below:-

33.7.1 Equity price sensitivity analysis

"The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments which is made subject to the approval of Board of Directors. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions. At the reporting date, the exposure to unlisted equity securities was Rs. 283.58 lakhs including investment in joint ventures at fair value amounting to Rs. 281.10 lakhs. The sensitivity analysis based on the equity price risk at the end of the reporting period has been provided for the investment these equity securities other than investment in joint venture is given below:-"

If equity price had been 5% higher/lower profit for the year ended March 31, 2017 would increase/decrease by Rs. 0.08 lakhs (for the year ended March 31, 2016: increase/decrease by Rs. 0.08 lakhs) as a result of change in the fair value of equity instrument which have classified as FVTPL.

Notes to the Financial Statements

33.8 Credit risk management

The Company trades only with recognised, creditworthy third parties and only on advance payment basis. It is the Company's policy that all customers who wish to trade are required to pay the entire amount in advance. The Company does not perceive any risk of default as there is no instance of credit sale. In addition, receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is not significant. With respect to credit risk arising from the other financial assets of the Company, which comprise cash, bank balances, short-term investments and other receivables, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Refer to Note 9 for analysis of trade receivables ageing.

33.9 Liquidity risk management

The Company has huge investment in term deposits with banks and has sufficient owned funds to finance its existing and continuing commitments. New investments and advances are likely to be funded similarly. Major capital investments, if any, would be funded by through the terms deposits and further requirement if any will be addressed through the use of bank overdrafts and bank loans. The Company have deposited significant amount in terms deposits and have sufficient funds required to meet the liquidity requirements of the Company and accordingly the Company have not applied for any short-term financing facilities during the FY 2015-16 and FY 2016-17. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

33.9.1 Liquidity and interest risk tables

The following table details the Company's expected maturity for its non-derivative financial assets, with agreed repayment periods. The table has been drawn based on the undiscounted contractual maturities of financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Expected maturity for Non-derivative financial assets

Amount in Rs. lakhs

	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total	Carrying Amount
March 31, 2017								
Non-interest bearing								
a) Trade receivables		-	-	-	-	-	-	-
b) Loans		-	-	86.70	-	-	86.70	86.70
c) Other financial assets		-	-	3,038.19	-	-	3,038.19	3,038.19
March 31, 2016								
Non-interest bearing								
a) Trade receivables		-	-	-	-	-	-	-
b) Loans		-	-	84.86	-	-	84.86	84.86
c) Other financial assets		1,751.71	1.00	9,776.60	2,096.29	-	13,625.60	2,252.29
April 1, 2015								
Non-interest bearing								
a) Trade receivables		-	-	-	-	-	-	-
b) Loans		-	-	80.26	-	-	80.26	80.26
c) Other financial assets		-	-	156.00	2,550.47	-	2,706.47	2,706.47

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cashflows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Expected maturity for Non-derivative financial liabilities

Amount in Rs. lakhs

	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total	Carrying Amount
March 31, 2017								
Non-interest bearing								
a) Trade payables		-	-	2,996.97	-	-	225.51	225.51
b) Other financial liabilities		-	-	2,741.15	-	-	2,714.01	2,714.01
March 31, 2016								
Non-interest bearing								
a) Trade payables		323.73	-	2,450.96	-	-	206.39	206.39
b) Other financial liabilities		107.62	5.66	2,695.97	-	-	2,782.10	2,782.10
April 1, 2015								
Non-interest bearing								
a) Trade payables		175.48	-	2,334.24	-	-	176.07	176.07
b) Other financial liabilities		0.27	0.16	2,816.74	-	-	2,789.82	2,789.82

Notes to the Financial Statements

33.9.2 Financing facilities

The Company has access to financing facilities as described below which has been remaining unused in its entirety at the end of the reporting period. The Company expects to meet its other obligation from operating cash flows and proceeds of maturity of financial assets.

34. Fair value measurements

34.1 Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis

The Company's investment in its holding company is considered as the only financial assets that is mandatorily measured at fair value through profit or loss at the end of each reporting period. The following table gives information about how the fair value of the financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets and financial liabilities	Fair value			Fair value hierarchy levels	Valuation techniques and key inputs
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015		
a) Investments in equity instruments	2.48	2.48	2.48	Level - I	Quoted market prices. However, there is no active trading in the market and the intend of the management to hold the same for long-term, accordingly the carrying amount approximates fair value.

34.2 The disclosure relating to the fair value of Financial Assets and Liabilities that are measured at other than fair value is not required as the management of the company determined that the carrying amounts of such assets and liabilities approximates their fair values.

35 - Related party transactions

A) Ultimate holding company

(a) Rashtriya Ispat Nigam Limited

B) Parent company

(a) Eastern Investments Limited

C) Fellow subsidiary company

(a) The Bisra Stone Lime Company Limited

D) Joint ventures

(a) East India Minerals Limited

E) Key Managerial Personnel:

(a) Shri P. K. Sinha	Managing Director/ CEO (w.e.f. 04/02/2015)
(b) Shri A. Chakravarty	Chief Financial Officer
(c) Smt. Anu Singh	Company Secretary

35.1 Trading transactions

During the year, The Company entered into the following trading transactions with related parties

Related party	Nature of transaction	For the year ended 31.03.2017	For the year ended 31.03.2016
(a) Eastern Investments Limited	Common expenses borne by Holding Company	12.52	7.75
	Dividend Paid	79.82	132.94
	Advance for director nomination fees received	1.00	3.00
	Advance for director nomination fees returned	1.00	3.00
	Advance for EIL's director nomination fees deposited	1.00	-
	Advance for EIL's director nomination fees refunded	1.00	-
(b) The Bisra Stone Lime Company Limited	Reimbursement of expenses	6.03	6.22
	Guest house rent expense	24.00	24.00

Notes to the Financial Statements

The following balances were outstanding at the end of the reporting period

Related party	Nature of balance	Amounts owed by/owed to Related		
		As at 31.03.2017	As at 31.03.2016	As at 01.04.201
(a) Eastern Investments Limited	Common Expenses at Corporate Office	3.06	2.70	1.76
(b) The Bisra Stone Lime Company Limited	Old Loan, Hiring Charges, Deputationist Employee's dues and common expenses at Corporate Office	230.17	224.14	217.92
	Guest House Rent payable	29.03	9.16	-
(c) East India Minerals Limited	Establishment Expenses at Mines	50.95	50.95	50.95

35.1 Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the year are as follows:

Related party	Year ended 31.03.2017	Year ended 31.03.201
Short-term benefits	55.70	53.57
Post Employment benefits	-	-
Other Long term benefits	-	-
Share based payments	-	-
Termination benefits	-	-

35.2 Loans to related parties

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Loans to key management personnel	Nil	Nil	Nil

36 - Contingent liabilities

Amount in Rs. Lakhs

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
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36.1 Contingent liabilities

(I) Claims against the Company not acknowledged as debts

a) DDM Claim against Excess Production	5,39,539.24	5,39,539.24	5,39,539.24
b) Vat re-assessment 2006-07 & 2007-08	237.31	237.31	237.31
c) Claim of Service Tax by M/s Orissa Stevedoers Ltd.	47.84	47.84	47.84
d) Money Suit by M/s Precious Minerals	4.91	4.91	4.91
e) Review Petition by OMDC against Barbil Workers Union	3.51	3.51	3.51
f) HO Arbitration:-			
g) East India Minerals Ltd. (Joint Venture Company)	302.13	302.13	302.13
h) Visa Steel Ltd.	19,020.99	19,020.99	19,020.99
i) Rashmi Ispat	87.63	87.63	87.63
j) Devansh	28.21	28.21	28.21
k) Adhunik Steel Ltd.	41.12	41.12	41.12
l) Orissa Stevedoers Ltd.	3,942.24	3,942.24	3,942.24
m) Jai Balaji Industries	-	18.38	1,303.28
n) Site Reclamation	1,480.44	35.42	35.42
o) FD against Bank Guarantee	322.78	322.78	322.78
p) Income Tax Demand	-	42,085.00	-
q) Balbir Sharma	-	250.59	250.59
r) Interest on Balbir Sharma Case	1,081.75	957.47	739.39
s) NCCF	-	-	100.00
t) Other Dues	287.19	287.19	295.06
	5,66,427.29	6,07,211.96	5,66,301.65

Notes to the Financial Statements

Claims against the Company not acknowledged as debt includes:

a. Demand from various statutory authorities towards income tax, sales tax, excise duty, custom duty, service tax, entry tax and other government levies. The Company is contesting the demand at appellate authorities. It is expected that the ultimate outcome of these proceedings will be in favour of the Company and will not have any material adverse effect on the Company's financial position and results of operation.

b. Claims of contractors for supply of materials/services pending with arbitration/courts those have arisen in the ordinary course of business. The Company reasonably expect that these legal actions when ultimately concluded and determined will be in favour of the Company and will not have material adverse effect on the Company's results of operation or financial position.

c. Claims against the Company not acknowledged as debts of Rs.5,65,017.72 lakh include demand received from DDM, Joda circle towards recovery under Sub Section (5) of Section 21 of Mines & Minerals(Development & Regulation) Act, 1957 for Rs.5,39,539.24 Lakh (PY: Rs.5,39,539.24) towards price of minerals alleged to be raised without lawful Authority in respect of Six Mines. Against the above demand the Company has filed application for stay order with Revisional Authority, Ministry of Mines, Govt. of India. As per the Court decision, Claim of Jai Balaji has been reduced by 379.27 lakhs. Pursuant to the amendments of the Orissa Land Reforms Act, the Sub-Collector, Champua had served a Notice against the Company for alleged unauthorized possession of 10.79 acres of leasehold land on the ground that the said land belongs to Adivasis and based on that, the Revenue Inspector asked OMDC to vacate the land. The Company filed an appeal before the Addl. District Magistrate but the appeal was not allowed. During April, 1999 the Company filed a writ application and obtained Stay Order from the Hon'ble High Court of Orissa to maintain the status quo about the possession of the land until further order. No specific liability could be ascertained.

37 - Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2016 and April 1, 2015

Amount in Rs. lakhs

	As at 31.03.2016				As at 31.03.2015		
	Notes	Previous GAPP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Previous GAPP	Effect of Transition to Ind AS	As per Ind AS balance sheet
I. Non-current assets							
(i) Property, plant and equipment		1,877.02	(206.25)	1,670.77	2,165.82	(229.64)	1,936.18
(ii) Capital work-in-progress		166.05	-	166.05	177.57	-	177.57
(iii) Other intangible assets		4,485.86	(0.01)	4,485.85	4,698.84	-	4,698.84
(iv) Financial assets:-			-				
I. Investment:-			-				
- Investment in joint venture		281.10	-	281.10	281.10	-	281.10
- Other investments		44.14	-	44.14	76.63	-	76.63
II. Loans		-	84.86	84.86	-	80.26	80.26
III. Other financial assets		-	156.00	156.00	-	156.00	156.00
(v) Non-current tax assets		-	5,995.87	5,995.87	-	5,054.20	5,054.20
(iv) Other non-current assets		293.13	(104.75)	188.38	288.50	(73.09)	215.41
Total non-current assets		7,147.30	5,925.72	13,073.02	7,688.46	4,987.73	12,676.19
II. Current assets							
(i) Inventories		2,166.96	-	2,166.96	2,670.74	-	2,670.74
(ii) Financial assets:-							
a. Trade receivables		27.15	(27.15)	0.00	27.35	(27.35)	-
b. Cash and cash equivalents		79,912.00	(77,261.20)	2,650.80	77,329.01	(75,792.98)	1,536.03
c. Bank balance other than cash and cash equivalents		-	77,105.20	77,105.20	-	75,636.98	75,636.98
e. Other financial assets		-	2,096.29	2,096.29	-	2,550.47	2,550.47
(iii) Other current assets		4,333.35	(4,187.11)	146.24	4,637.40	(4,437.36)	200.04
Total current assets		86,439.46	(2,273.97)	84,165.49	84,664.50	(2,070.24)	82,594.26
Total assets		93,586.76	3,651.75	97,238.51	92,352.96	2,917.49	95,270.45

Notes to the Financial Statements

Amount in Rs. lakhs							
	Notes	Previous GAPP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Previous GAPP	Effect of Transition to Ind AS	As per Ind AS balance sheet
A. Equity							
(i) Share capital		60.00	-	60.00	60.00	-	60.00
(ii) Reserve and surplus	(a)	83,434.19	191.95	83,626.14	82,562.97	318.94	82,881.91
Total equity (shareholders funds under previous GAAP)		83,494.19	191.95	83,686.14	82,622.97	318.94	82,941.91
B. Non-current liabilities							
(i) Provisions		647.68	(261.80)	385.88	574.76	(269.22)	305.54
(ii) Deferred tax liabilities		790.58	-	790.58	696.57	-	696.57
(iii) Other non-current liabilities		1,643.93	(1,643.93)	-	1,743.93	(1,743.93)	-
Total non-current liabilities		3,082.19	(1,905.73)	1,176.46	3,015.26	(2,013.15)	1,002.11
C. Current liabilities							
(i) Financial liabilities							
a. Trade payables		206.39	-	206.39	176.07	-	176.07
b. Other financial liabilities	(a)	-	2,782.10	2,782.10	-	2,789.82	2,789.82
(ii) Provisions		461.49	4,411.86	4,873.35	604.64	4,088.31	4,692.95
(iii) Other current liabilities		6,342.50	(5,507.32)	835.18	5,934.02	(5,211.27)	722.75
(iv) Current tax liabilities		-	3,678.89	3,678.89	-	2,944.84	2,944.84
Total current liabilities		7,010.38	5,365.53	12,375.91	6,714.73	4,611.70	11,326.43
Total liabilities		10,092.57	3,459.80	13,552.37	9,729.99	2,598.55	12,328.54
Total equity and liabilities		93,586.76	3,651.76	97,238.52	92,352.96	2,917.49	95,270.45

37.2 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

Amount in Rs. lakhs			
	Notes	As at 31.03.2016	As at 31.03.2015
Total equity (shareholders funds) under Previous GAAP		83,494.20	82,622.97
Dividends not recognised as a liability until declared under Ind AS	(a)	191.94	318.94
Total adjustment to equity		191.94	318.94
Total equity under Ind AS		83,686.14	82,941.91

37.3 Effect of Ind AS Adoption on the statement of profit and loss for the year ended March 31, 2016

Amount in Rs. lakhs				
	Notes	For the year ended 31.03.2016		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Other Income		6,996.96	3.70	7,000.66
Total income (A)		6,996.96	3.70	7,000.66
Changes in stock of finished goods, work-in-progress and stock-in-trade		494.05	-	494.05
Employee benefit expense	(b)	2,580.12	(47.10)	2,533.02
Finance costs		-	-	-
Depreciation and amortisation expense		699.65	(15.88)	683.77
Other expenses		1,331.92	19.58	1,351.50
Total expenses (B)		5,105.74	(43.40)	5,062.34
Profit before tax (E=A-B+C+D)		1,891.22	47.11	1,938.33
Tax expense				
(1) Current tax		734.05	-	734.05
(2) Deferred tax	(b)	94.01	16.01	110.02
Total Tax (F)		828.06	16.01	844.07
Profit for the year (E-F)		1,063.16	31.10	1,094.26

Amount in Rs. lakhs				
	Notes	For the year ended 31.03.2016		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Other comprehensive income				
I. Items that will not be reclassified to profit or loss				
a) Remeasurements of the defined benefit plan	(b)	-	(47.10)	(47.10)
b) Income tax relating to items that will not be reclassified to profit or loss	(b)	-	16.01	16.01
Total other comprehensive income [A(i-ii)+B(i-ii)]		-	(31.09)	(31.09)
Total comprehensive income for the period		1,063.16	0.01	1,063.17

Notes to the Financial Statements

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

	Notes	Amount in Rs. lakhs For the year ended 31.03.2016
Profit as per previous GAAP		1,063.16
Adjustments :		
Effect on employee benefit expenses for remeasurement (gain)/loss arising from defined benefit obligation	(b)	47.10
Tax on remeasurement gain / (loss) on defined benefit plans	(b)	(16.01)
Total effect of transition to Ind AS		31.09
Profit for the year as per Ind AS		1,094.25
Other comprehensive income for the year (net of tax)	(b)	(31.09)
Total comprehensive income under Ind AS		1,063.16

37.5 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

	Notes	Amount in Rs. lakhs For the year ended 31.03.2016		
		Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net Cash flows from operating activities		(3,689.84)	(66.79)	(3,756.63)
Net Cash flows from investing activities		(3,550.40)	8,740.72	5,190.32
Net Cash flows from financing activities		(318.94)	-	(318.94)
Net Increase(decrease) in cash and cash equivalents		(7,559.18)	8,673.94	1,114.76
Cash and Cash equivalents at the beginning of the year		75,415.23	(73,879.20)	1,536.03
Cash and Cash equivalents at the end of the year		67,856.05	(65,205.26)	2,650.79

37.6 Analysis of cash and cash equivalents as at March 31, 2016 and as at April 01, 2015 for the purposes of statement of cash flow under Ind AS

	Notes	Amount in Rs. lakhs	
		As at 31.03.2016	As at 31.03.2015
Cash and cash equivalents for the purposes of statement of cash flows as per previous GAAP		67,856.05	75,415.23
Less: Term deposits with maturity exceeding 3 months		11,529.31	1,368.00
Less: Margin Money		448.43	420.82
Less: Unpaid dividend		78.21	124.96
Cash and cash equivalents for the purposes of Balance sheet as per previous GAAP		79,912.00	77,329.01
Term deposits having a maturity more than 12 months has been reclassified into non-current other financial assets		(156.00)	(156.00)
Bank balance other than cash and cash equivalents reclassified from cash and cash equivalent as per IGAAP		(77,105.20)	(75,636.98)
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS		2,650.80	1,536.03

(a) Under the previous GAAP, dividend on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements are authorised for issue were recognised in the financial statements as a liability (including provision for income tax thereon). Under Ind AS dividend to shareholders recommended by the board of directors after the end of the reporting period but before the financial statements are approved for issue are not recognised as a liability at the end of the reporting period, but are disclosed separately in the notes. These are recognised when declared by the members in the general meeting. The effect of this change is an increase in total equity as at April 01, 2015 is Rs. 318.94 lakhs and as at March 31, 2016 is Rs. 191.94 lakhs.

(b) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind A instead of profit or loss. The actuarial gains for the year ended March 31, 2016 were Rs. 47.10 lakhs and the tax effect thereon Rs. 16.01 lakhs. This change does not affect total equity, but there is a decrease in profit before tax of Rs. 47.10 lakhs, and in total profit of Rs. 16.01 lakhs for the year ended March 31, 2016.

Notes to the Financial Statements

38. Disclosures relating to specified business notes

Particulars	Specified Bank Notes (SBNs)					Other denomination notes	Total
	Rs.500		Rs.1000				
	Nos	Amount (Rs)	Nos	Amount (Rs)	Total (Rs)	Amount (Rs)	Amount (Rs)
Closing Cash in hand as on 08.11.2016	8	4,000	-	-	4,000	6,277	10,277
(+) Permitted Receipts/Bank withdrawn					-	4,17,500	4,17,500
(-) Non-Permitted Receipts		-		-	-	-	-
(-) Permitted payments /use					-	4,09,899	4,09,899
(-) Non-Permitted payments /use		-		-	-	-	-
(-) Amount deposited in Banks	8	4,000	-	-	4,000	-	4,000
Closing cash in hand as on 30.12.2016	-	-	-	-	-	13,878	13,878

39.1 Disclosure of additional information as required by the Schedule III:

Due to non-renewal of mining leases in the name of the Company, there are no operations carried out by the Company relating to mining activities. The relation with joint venture company, East India Minerals Limited, has also been affected and there are some legal disputes which are pending to be resolved because of which there is no sharing of information by the joint venture company to the Company. Accordingly, the Consolidated financial statement of the Company with its joint venture cannot be prepared and the disclosures required under schedule III of Companies Act, 2013 cannot be made.

39.2 – Other Information:

a) The Company is not having information about the status of the agencies / enterprises from whom the company procures goods and services. Hence identification of parties falling under the definition of Micro, Small and Medium Enterprises Development Act., 2006 have not been made and relevant disclosure should not be made. b) Un-authorized occupation of some of the quarters has been made by contractor's employees in mines. Company is considering taking necessary action including legal course wherever necessary to take the ownership of the quarters. c) The registration of the Building of the company at H.O. is yet to be completed. The provision of Rs.20.68 lakhs has been made for registration of building. However, if further provision is required to be made, at the time of registration, the same will be made in future. d) As per the understanding with the employees, electricity consumed by them in the accommodation provided to them would be free of cost hence any recovery is not made from employees.

40. LEASE STATUS (OMDC)

40.1 Kolha-Roida Iron & Manganese Ore Mines (254.952 Ha.)

Requirement	Status
Renewal of Mining Lease	Period of 1 st RML from 15.08.1956 to 14.08.1976 Period of 2 nd RML from 15.08.1976 to 14.08.1996 Period of 3 rd RML from 15.08.1996 to 14.08.2016 The 3 rd RML application (15.08.1996 to 14.08.2016) was rejected by Govt. of Odisha on 16.11.2006. Revisional Authority set aside the impugned order. Govt. of Odisha has challenged Revisional Authority's Order in Cuttack High Court.
Forestry Clearance(FC)	Available for 3 rd RML period over forest area of 119.001 Ha. If provisions of sec. 8A of the MMDR(Amendment) Act, 2015 is invoked, the earlier FC will automatically gets extended up to 31-03-2020 as per MoEF & CC's notification dated 01 st April, 2015. *It is a general order and applies to all the existing mining leases.
Environment Clearance(EC)	Available, obtained on 23.07.2012 for 3 MTPA Iron ore & 0.24 MTPA Manganese ore.

40.2 Dalki Manganese Ore Mines (266.77 Ha.)

Requirement	Status
Renewal of Mining Lease	Period of 1 st RML from 01.10.1954 to 30.09.1974 Period of 2 nd RML from 01.10.1974 to 30.09.1994 Period of 3 rd RML from 01.10.1994 to 30.09.2014 The 3 rd RML application (01.10.1994 to 30.09.2014) was rejected by Govt. of Odisha on 24.08.2006. Revisional Authority set aside the impugned order. Govt. of Odisha has challenged Revisional Authority's Order in Cuttack High Court.
Forestry Clearance(FC)	Available for 3 rd RML period over forest area of 167.815 Ha. If provisions of sec. 8A of the MMDR(Amendment) Act, 2015 is invoked, the earlier FC will automatically gets extended up to 31-03-2020 as per MoEF & CC's notification dated 01 st April, 2015. *It is a general order and applies to all the existing mining leases.
Environment Clearance(EC)	Available, obtained on 11.09.2013 for 0.24 MTPA Manganese ore.

Notes to the Financial Statements

40.3 Thakurani Iron & Manganese Ore Mines (778.762 Ha.)

Requirement	Status
Renewal of Mining Lease	<p>Period of 1st RML from 01.10.1954 to 30.09.1984 Period of 2nd RML from 01.10.1984 to 30.09.2004 Period of 3rd RML from 01.10.2004 to 30.09.2024 3rd RML pending. As application for 3rd RML has not yet been considered by Govt. of Odisha therefore it can enjoy the benefit of section 8A of the MMDR(Amendment) Act, 2015 provided,</p> <ol style="list-style-type: none"> 1. EC and other statutory clearances are obtained. 2. Lease deed executed.
Forestry Clearance(FC)	<p>Available for 2nd RML period over forest area of 382.504 Ha. If provisions of sec. 8A of the MMDR(Amendment) Act, 2015 is invoked, the earlier FC will automatically gets extended up to 31-03-2020 as per MoEF & CC's notification dated 01st April, 2015. *It is a general order and applies to all the existing mining leases.</p>
Environment Clearance(EC)	<p>Expert Appraisal committee (EAC) has recommended EC on 24.05.2012 for production of 3 MTPA Iron ore and 0.06 MTPA Manganese ore subject to submission of Stage-1 Forestry Clearance and Site Specific Wild Life Management Plan. As earlier EC recommendation had run into statutory time bar, fresh EC application has to be made again.</p>

40.4 Bagiaburu Iron Ore Mines (21.52 Ha.)

Requirement	Status
Renewal of Mining Lease	<p>The 3rd RML application submitted by OMDC on 10.08.2009 has been rejected and the mining lease declared as lapsed by Govt. of Odisha vide proceeding no.-10424/SM dated 29.12.2014. Govt. of Odisha again issued lapsing notice on 07.09.2016 in spite of favourable order from the RA, Ministry of Mines, Govt. of India on 11.05.2016. Reply submitted on 05.10.2016 and 1st hearing took place on 17.10.2016. Hearing in respect of Bagiaburu mining lease is yet to be called for.</p>
Forestry Clearance(FC)	<p>Stage-1 Forest clearance available, obtained on 21.11.2013. OMDC paid all the demands (e.g. demand for alienation, cost for compensatory afforestation etc.) raised for compliance of Stage-I Forestry Clearance conditions. The Forest and Environment Dept. , Govt. of Odisha has requested to clarify from the Eastern Regional office of the MoEF&CC , Bhubaneswar vide its letter dated 02.02.2015 whether the compliance to the conditions stipulated in Stage-I approval shall be pursued and submitted for obtaining final Forestry Clearance in view of the lapsing of the lease w.e.f. 01.10.2012. Subsequently Eastern Regional office of the MoEF&CC, BBSR has forwarded the same to MoEF&CC's New Delhi Office.</p>
Environment Clearance(EC)	<p>Not available, Presentation was made to State Expert Appraisal Committee (SEAC) on 14.05.2014. SEAC has advised to obtain fresh EC from MoEF and has accordingly transferred the proposal to MoEF on 03.07.2014 for 0.36 MTPA Iron ore. As earlier EC recommendation had run into statutory time bar, OMDC appointed M/S.-MECON, Ranchi as an expert who has submitted fresh on-line EC application to MoEF, New Delhi on 30.09.2014. Call for appraisal meeting for TOR awaited from MoEF.</p>

Notes to the Financial Statements

40.6 Belkundi Iron & Manganese Ore Mines (1276.79 Ha.)

Requirement	Status
Renewal of Mining Lease	<p>The 3rd RML application of Belkundi mining leases of OMDC has been lapsed and rejected by Govt. of Odisha vide proceeding no.-533 dated 13.01.2015. Revision Application submitted before the Mines Tribunal, Ministry of Mines Govt. of India on 13.03.2015.</p> <p>Govt. of Odisha again issued lapsing notice on 07.09.2016 in spite of favourable order from the RA, Ministry of Mines, Govt. of India on 11.05.2016. Reply submitted on 05.10.2016 and 1st hearing took place on 17.10.2016. Hearing in respect of Belkundi mining lease completed on 23.02.2017 and order awaited.</p>
Forestry Clearance(FC)	<p>i) Not available, applied for 448.276 Ha. forest area on 31.08.2005. ii) The Forest Diversion proposal is under process at the level of CCF (Nodal), Bhubaneswar.</p>
Environment Clearance(EC)	<p>Not available, Expert Appraisal Committee (EAC) has recommended EC on 25.07.2012 for 1.8 MTPA Iron ore and 0.3 MTPA Manganese ore subject to submission of Stage 1 Forest Clearance & Site Specific Wild Life Conservation Plan. As earlier EC recommendation had run into statutory time bar, OMDC appointed M/S.-MECON, Ranchi as an expert who has submitted fresh on-line EC application to MoEF, New Delhi on 30.09.2014. Call for appraisal meeting for TOR awaited from MoEF.</p>

Notes Forming Part of Financial Statements

41. The accounts have been prepared on Going Concern Basis. The Company is constantly following up for renewal of mining leases. In case of two mines i.e. Kolha-Roida and Dalki, environment clearance has been received. The Management is continuously following up with Govt. Of Odisha, Govt. Of India and other statutory authorities for opening of the mines, requisite clearances so that mining operation is commenced at the earliest. The Company is a profit making concern and having high positive net worth.

42. previous year's figures have been re-grouped and rearranged wherever necessary to conform to this year's classification.

For & on Behalf of Board of Directors

As per our report of even date attached.

For **M. C. Bhandari & Company**

Chartered Accountants

FRN No.303002E

P.K.Sinha

Managing Director

P. S. Mishra

Director

(CA Neeraj Jain)

Partner

M. No.064393

Kolkata, Date: 26th May, 2017

A.Chakravarty

CFO

Anu Singh

Company Secretary

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