

BY SPEED POST

NBC/S/4.5(A)/2015/552

Date : 30.05.2015

To
The Manager,
Listing Department
National Stock Exchange of India Ltd.,
"Exchange Plaza", C-1, Block - G,
Bandra- Kurla Complex,
Bandra (E), Mumbai - 400 051. Fax Nos. 022-26598237/26598238

Sub: a) Submission of Audited Financial Results & Statement of Assets & Liabilities for the quarter and year ended 31.03.2015

b) Recommendation of Final Dividend

Dear Sir,

- 1.0 This has reference to the correspondence resting with our letter No.NBC/S/4.5(A)/2015/ 498 dtd. 18.05.2015 on the above subject.
- 2.0 In terms of revised Clause 20 and 41 of the Listing Agreement, please find enclosed a copy of the audited Financial Results for the quarter and year ended 31.03.2015. These were approved and adopted by the Board in their meeting held on 30.05.2015. Necessary publication is also being made on local & English dailies.
- 3.0 Enclosed also please find a copy of Auditors' Report given by the Statutory Auditors on the Audited Financial Results of the Company for the year ended 31.03.2015.
- 4.0 The Board of Directors have recommended payment of final dividend @ ₹ 0.50 per share (10% on face value of ₹ 5 each) on the equity share capital in addition to interim dividend of ₹ 1.25 per share (25% on face value of ₹ 5 each) already paid during March, 2015 on equity share capital subject to the approval of shareholders in the ensuing 34th Annual General Meeting.

Thanking you,

Yours faithfully,
For National Aluminium Co. Ltd.


(K. N. RAVINDRA)
ED- COMPANY SECRETARY

नेशनल एल्युमिनियम कम्पनी लिमिटेड
(भारत सरकार का उद्यम)
निगम कार्यालय
नालको भवन, नयापल्ली, भुवनेश्वर - 751 013 भारत

National Aluminium Company Limited
(A Government of India Enterprise)
REGD. & CORPORATE OFFICE
Nalco Bhawan,
PlotNo.P/1, Nayapalli, Bhubaneswar-751013, India

CIN # L27203OR1981GOI000920

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NATIONAL ALUMINIUM COMPANY LIMITED

PART I

(Rs. in Crore)

Statement of Audited Results for the Quarter and Year Ended 31/03/2015

Particulars	Quarter Ended			Year Ended	
	31/03/2015	31/12/2014	31/03/2014	31/03/2015	31/03/2014
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
1 Income from operations					
(a) Net sales/income from operations (Net of excise duty)	1,778.46	1,876.81	1,781.21	7,261.90	6,648.80
(b) Other operating income	22.79	29.19	56.99	120.91	132.05
Total income from operations (net)	1,801.25	1,906.00	1,838.20	7,382.81	6,780.85
2 Expenses					
(a) Cost of materials consumed	253.34	251.34	288.43	1,031.59	1,063.16
(b) Power and Fuel	430.09	447.17	478.48	1,802.24	2,017.67
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	38.11	(22.87)	64.19	2.90	58.55
(d) Employee benefits	336.90	339.21	298.61	1,377.91	1,245.33
(e) Depreciation and amortisation	97.89	116.50	140.94	413.66	524.73
(f) Other expenses	314.79	363.94	399.26	1,462.15	1,461.94
Total expenses	1,471.12	1,495.29	1,669.91	6,090.45	6,371.38
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	330.13	410.71	168.29	1,292.36	409.47
4 Other income	162.06	151.61	135.39	672.64	557.71
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	492.19	562.32	303.68	1,965.00	967.18
6 Finance costs	-	-	-	-	-
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	492.19	562.32	303.68	1,965.00	967.18
8 Exceptional items	(148.42)	-	49.37	(148.42)	49.37
9 Profit / (Loss) from ordinary activities before tax (7 ± 8)	640.61	562.32	254.31	2,113.42	917.81
10 Tax expense	285.74	207.85	81.86	791.57	275.46
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	354.87	354.47	172.45	1,321.85	642.35
12 Extraordinary items (net of tax expense)	-	-	-	-	-
13 Net Profit / (Loss) for the period (11 ± 12)	354.87	354.47	172.45	1,321.85	642.35
14 Paid-up equity share capital (Face Value of Rs.5/- per Share)	1,288.62	1,288.62	1,288.62	1,288.62	1,288.62
15 Reserve excluding Revaluation Reserves and Subsidy Reserve as per balance sheet of previous accounting year	-	-	-	11,508.32	10,833.59
16 Earnings per share (of Rs 5/- each) (not annualised):					
(a) Basic	1.38	1.38	0.67	5.13	2.49
(b) Diluted	1.38	1.38	0.67	5.13	2.49
See accompanying note to the financial results					

PART II**Select Information for the Quarter and Year Ended 31/03/2015**

	Particulars	Quarter Ended			Year Ended	
		31/03/2015	31/12/2014	31/03/2014	31/03/2015	31/03/2014
		(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	491,455,890	491,455,890	488,178,890	491,455,890	488,178,890
	- Percentage of shareholding	19.07	19.07	18.94	19.07	18.94
2	Promoters and Promoter Group Shareholding					
a)	Pledged / Encumbered					
	- Number of shares					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)					
	- Percentage of shares (as a % of the total share capital of the company)					
b)	Non - encumbered					
	- Number of shares	2,085,782,622	2,085,782,622	2,089,059,622	2,085,782,622	2,089,059,622
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	80.93	80.93	81.06	80.93	81.06

	Particulars	3 months ended 31/03/2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	13
	Disposed of during the quarter	13
	Remaining unresolved at the end of the quarter	-

Statement of Assets and Liabilities

(Rs. in Crore)

Particulars		As at (31/03/2015) (Audited)	As at (31/03/2014) (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,288.62	1,288.62
	(b) Reserves and surplus	11,508.68	10,833.83
	Sub-total - Shareholders' funds	12,797.30	12,122.45
2	Non-current liabilities		
	(a) Deferred tax liabilities (net)	1,105.27	910.13
	(b) Other long-term liabilities	65.30	54.96
	(c) Long-term provisions	242.76	218.22
	Sub-total - Non-current liabilities	1,413.33	1,183.31
3	Current liabilities		
	(a) Trade payables	455.46	531.12
	(b) Other current liabilities	1,325.37	2,564.38
	(c) Short-term provisions	186.21	147.25
	Sub-total - Current liabilities	1,967.04	3,242.75
	TOTAL - EQUITY AND LIABILITIES	16,177.67	16,548.51
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	7,195.15	7,560.68
	(b) Non-current investments	1.04	1.04
	(c) Long-term loans and advances	1,221.85	1,517.27
	(d) Other non-current assets	47.45	43.32
	Sub-total - Non-current assets	8,465.49	9,122.31
2	Current assets		
	(a) Current investments	950.00	1,244.00
	(b) Inventories	1,165.56	1,173.66
	(c) Trade receivables	120.82	243.57
	(d) Cash and cash equivalents	4,627.98	4,048.29
	(e) Short-term loans and advances	607.54	481.38
	(f) Other current assets	240.28	235.30
	Sub-total - Current assets	7,712.18	7,426.20
	TOTAL - ASSETS	16,177.67	16,548.51

Segmentwise Revenue, Results and Capital Employed :
(Under clause 41 of listing agreement)

(4)

Sl. No.	Particulars	(Rs. in Crore)				
		Quarter ended		Year ended		
		31/03/2015 (Audited)	31/12/2014 (Reviewed)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)
1	2	3	4	5	6	7
1	Segment Revenue :					
	a) Chemicals	959.71	985.77	1,055.89	3,884.92	3,716.82
	b) Aluminium	1,213.38	1,272.66	1,076.91	4,807.35	4,230.13
	c) Unallocated Common	8.52	5.92	13.96	58.21	46.81
	Total :	2,181.61	2,264.35	2,146.76	8,750.48	7,993.76
	Less: Inter segment revenue	403.15	387.54	365.55	1,488.58	1,344.96
	Net sales / Income from operations	1,778.46	1,876.81	1,781.21	7,261.90	6,648.80
2	Segment Results :					
	Profit before tax and interest :					
	a) Chemicals	247.69	336.08	238.93	1,099.35	826.18
	b) Aluminium	312.41	149.13	(70.49)	587.99	(251.83)
	Sub-total :	560.10	485.21	168.44	1,687.34	574.35
	Less: Interest & financing charges	-	-	-	-	-
	Add: Other unallocated income net of unallocated expenses	80.51	77.11	85.87	426.08	343.46
	Total Profit before Tax :	640.61	562.32	254.31	2,113.42	917.81
3	Capital Employed (assets - liabilities)					
	a) Chemicals	3,063.88	3,039.01	3,096.94	3,063.88	3,096.94
	b) Aluminium	4,071.61	3,665.51	4,060.90	4,071.61	4,060.90
	c) Unallocated Common	6,767.08	7,217.52	5,874.74	6,767.08	5,874.74
	Total :	13,902.57	13,922.04	13,032.58	13,902.57	13,032.58

1) Above financial results have been examined by Audit Committee and approved by the Board in the meeting held on 30th May,2015.

2) The Board has recommended final dividend of 10% (Rs 0.50) per equity share of Rs.5 each, subject to approval of the members in the ensuing Annual General Meeting.

3) During the quarter there was out of court settlement by the company with the Government of Odisha regarding disputed electricity duty, interest on unpaid electricity duty and duty on Transmission and Transformation (T&T) loss. Based on settlement, the unpaid electricity duty amounting to Rs.520.02 crore has been fully paid after adjustment of T&T loss of Rs. 38.81 crore. Besides, the Company has paid Rs.352.11 crore towards interest on unpaid electricity duty. On settlement, the excess liability provided for Rs.0.74 crore towards electricity duty and Rs.253.21 crore towards interest on unpaid electricity duty were written back. Besides, excess claim towards electricity duty on T&T loss of Rs. 105.53 crore was reversed. The above has resulted in increase in profit before tax by Rs.148.42 crore which has been considered as exceptional item.

4) Pursuant to the notification of Schedule II of the Companies Act 2013 by the Ministry of Corporate Affairs effective from 01.04.2014, the Company has revised/reassessed the remaining useful life in accordance with the schedule except in some cases where the reassessment is supported by technical advice. The adoption of Schedule II has resulted in lower depreciation charge of Rs.38.05 crore and Rs.130.12 crore for the quarter and year ended 31.03.2015 respectively due to which the profit before tax has increased to that extent. Further, the carrying amount of Rs.105.92 crore (net of deferred tax of Rs. 54.54 crore) has been adjusted against the retained earnings (General Reserve) in terms of transitional provision in respect of those assets whose remaining useful lives has expired on or before 31.03.2014.

5) Pursuant to the Coal Mines (Special Provisions) Act 2015 effective from 21.10.2014, the Utkal-E-Coal block was deallocated. However, the Company is pursuing for reallocation of the block in it's favour.

6) The figures of last quarter for the current year and for the previous year are the balancing figures in respect of the full financial year ended 31st March and the unaudited published year to date figures up to the third quarter ended 31st December.

7) Figures pertaining to previous period's have been regrouped and rearranged, wherever necessary.

W. R. Mohanty

Place : New Delhi
Dated : 30th May,2015

(N R Mohanty)
Director (Project & Technical) and
Chairman-Cum-Managing Director

AGASTI & ASSOCIATES
Chartered Accountants
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ABP & ASSOCIATES
Chartered Accountants
11A, Bapuji Nagar,
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INDEPENDENT AUDITORS' REPORT

To

**THE MEMBERS OF
NATIONAL ALUMINIUM COMPANY LIMITED,**

Report on the Financial Statements

We have audited the accompanying financial statements of National Aluminium Company Limited, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the Companies Act'2013 under Section 143(5), we give in the Annexure-II a statement on the matters directed by C&AG.
3. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the management, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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,



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Agasti & Associates
Chartered Accountants
Firm Registration No. 313043E

Raj Kumar Agasti

CA. Raj Kumar Agasti
Partner
Membership No. 304920

Place: New Delhi
Dated 30th May' 2015



For ABP & Associates
Chartered Accountants
Firm Registration No. 315104E

Bimal K. Chanduka

CA. Bimal K. Chanduka
Partner
Membership No. 053714



ANNEXURE - I TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

i) In respect of Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) All the movable assets have been physically verified by a Firm of Chartered Accountants during the year. No material discrepancies were noticed on such verification;

Non-movable assets have been physically verified by the Management at an interval of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets;

As informed to us, no material discrepancies between book records and physical assets have been noticed;

ii) In respect of Inventories:

- (a) As explained to us, all inventories, except stocks relating to expansion project, stocks lying with third parties and stocks in-transit have been physically verified by a Firm of Chartered Accountants at reasonable intervals during the year;
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between physical stocks and book records relating to shortage have been dealt in the books of Accounts while excess have been ignored;

- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, clauses (iii) (a) & (b) of paragraph 3 of the Order are not applicable;


Raj K. Singh
Chartered Accountant



- 5
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system;
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the books of account maintained by the Company, as specified by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 in respect of manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete;
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, VAT, Cess, Electricity Duty and any other material statutory dues with the appropriate authorities;

According to the information and explanations given to us, no undisputed amounts are payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, VAT, Cess, Electricity Duty and any other material statutory dues as at 31st March, 2015 for a period of more than six months from the date they became payable;

- (b) According to the information and explanations given to us, disputed statutory dues which have not been deposited as on 31st March' 2015 are as under:

Name of the Statute	Nature of Dues	Amount disputed (₹ in crore)	Amount deposited (₹ in Crore)	Forum where disputes are pending
Sales Tax	Sales Tax	148.28	30.29	Commissioner
		181.40	52.97	Tribunal
		115.42	3.56	High Court
		445.10	86.82	
Entry Tax	Entry Tax	161.49	48.35	Commissioner
		29.18	20.94	Tribunal
		23.57	9.16	High Court
		214.24	78.45	
Central Excise Act, 1944	Excise Duty	2.11	2.50	Commissioner
		23.52	0.83	Tribunal
		26.78	0.00	High Court
		52.41	3.33	



Service Tax	Service tax	2.19	0.02	Commissioner
		<u>0.07</u>	<u>0.00</u>	Tribunal
		2.26	0.02	
Customs Act, 1962	Custom Duty	4.85	0.00	Commissioner
		4.85	0.00	
Income Tax Act, 1961	Income Tax	772.98	540.94	Commissioner
		198.74	22.99	Tribunal
		<u>107.65</u>	<u>89.55</u>	High court
		1079.37	653.48	
Odisha stamps Act	Stamp duty	<u>211.64</u>	<u>0.00</u>	High court
		211.64	0.00	
	Total:	2009.87	822.10	

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act and rules there under has been transferred to such fund within time;
- viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year;
- ix) The company does not have any outstanding dues to any Financial Institution, banks or debenture holders during the year;
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- xi) According to the information and explanations given to us, the Company has not raised any term loan during the year;
- xii) As intimated by the management there was no noticeable fraud on or by the Company has been reported during the year.

For Agasti & Associates
Chartered Accountants
Firm Registration No. 313043E

Raj Kumar Agasti
CA. Raj Kumar Agasti
Partner
Membership No. 304920



For ABP & Associates
Chartered Accountants
Firm Registration No. 315104E

Chanduka
CA. Bimal K. Chanduka
Partner
Membership No. 053714



Place: New Delhi
Dated 30th May' 2015

ANNEXURE - II TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

1. If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserve) may be examined including the mode and present stage of disinvestment process.

As informed to us, the Company has received a letter from Department of Disinvestment dated 25.02.2015 addressed to the legal firm M/s. Crawford Bayley & Co. about their appointment as Legal Advisor for disinvestment of 10% paid up equity of Nalco. However, the Company does not have any further information regarding valuation, mode and the timeline of such disinvestment process.

2. Please report whether there are any cases of waiver/write off of debts/loan/interest etc., if yes, the reason there for and the amount involved.

As informed by the management and based on records examined, there are ten (10) cases of write off of Trade Receivables total amounting to Rs.1.84 Crores. These are old cases of debtors against sale of Aluminium metal outstanding prior to 1993-94. Even though the company has got the decrees from the courts/ award by arbitrators, execution of the decree could not be materialized due to non existence of said debtors. The Board in 278th meeting held on 12.11.2014 has approved the proposal for write off of these bad debts.

3. Whether proper records are maintained for inventories lying with third parties & assets received as gift from Government or other authorities.

As informed by the management and based on records examined, proper records are maintained for the inventories lying with third parties.

As informed by the management and based on records examined, the Company has not received any gift from Govt. or Other authorities.

4. A report on age wise analysis of pending legal/ arbitration cases including the reason of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign & local) may be given .

As informed by the management and based on records examined, the company has 86 nos of pending legal/arbitration cases against the Company pending in various courts/ arbitration (except disputes related to Govt. demands and statutory dues) amounting to Rs.154.58 Crore. Out of these, there are 23 cases above Rs.50.00 lakhs amounting to Rs.146.72 crore. (A statement of major legal/ arbitration cases above Rs.50.00 lakhs against the Company with age wise analysis and pending in various courts/ arbitration is provided at Appendix-A)

These cases pending with courts/ arbitration have arisen in the ordinary course of business. Based on our examination and as reported by Company's management, it is reasonably estimated that these legal actions when ultimately concluded and determined will not have material adverse effect on the company's results of operation or financial condition.



In the matter of existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) in the company, as informed by the management and on the basis of record examined by us the legal department headed by Executive Director -Company Secretary is regularly monitoring all those pending cases. In general the company fixes rate contracts with advocates for appearance and filling of regular cases. Wherever there is no rate contract, expenditure is incurred with approval of the competent authority on case to case basis. During the year the company has spent Rs.3.72 crore on various legal matters including tax and allied appearance.

For Agasti & Associates
Chartered Accountants
Firm Registration No. 313043E

Raj Kumar Agasti

CA. Raj Kumar Agasti
Partner

Membership No.304929



For ABP & Associates
Chartered Accountants
Firm Registration No. 315104E

Bimal K. Chanduka

CA. Bimal K. Chanduka
Partner

Membership No.053714



Place: New Delhi
Dated 30th May' 2015

**Referred to Annexure - II to the Independent Auditors' Report
in paragraph 4 of our Report of even date**

Details of major pending legal/arbitration cases

Sl No	Type of case	Year of Commencement	Particulars	Amount (Rs. in lakhs)	Present status of the case.	Reasons of pendency and existence/effectiveness of a monitoring mechanism.	Pending with
1	2	3	4	5	6	7	8
1	Nauratan Das & Co Ltd.(Claimant)	1986	Claims of Contractors and Suppliers	232.19	18,44,439/- awarded against NALCO has been paid to the party. Execution Case No.31 of 2001 has been filed by Nauratandas & Co. Ltd. before the Dist. Judge, Khurda at BBSR and the case is pending for hearing.	The case is yet to be listed for final hearing by the Hon'ble Court.	Dist Judge Khurda
2	M/s.KC & CC.Pvt Ltd. (Claimant) vrs. NALCO	1988	Arising out of contract for (i)Construction for civil, engg. & earth work in formation of minor bridge etc. CPP, Smelter. (ii) P. way materials. (iii) Trak-linking	492.24	Rs.4,92,24,107.00 has been awarded in favour of KC&CC and NALCO has challenged the aforesaid award before Hon'ble High Court of Madras.	The case is yet to be listed for final hearing by the Hon'ble Court.	High Court, Madras
3	BPMEI (Claimant) vrs. NALCO.	1992	Arising out of contract for DM Water Plant, CPP, Angul.	358.64	Award awaited from Permanent Machinery of Arbitrators, New Delhi.	Award awaited from Permanent Machinery of Arbitrators, New Delhi.	Permanent Machinery of Arbitrators, New Delhi.



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4	Gayatri Projects (Claimant) .Vs. NALCO	1999	Raising height of ash pond	248.50	Rs.2,48,50,100/- together with pendulite and future interest @12% per annum has been awarded in favour of Gayatri and NALCO's counter claim was rejected. Now the case is pending in Orissa High Court.	The case is yet to be listed for final hearing by the Hon'ble Court.	High Court
5	Coalchem Pvt. Ltd. Claimant vrs. NALCO	2001	Arising out of contract for supply of 1200 MT of Coal Tar Pitch placed on M/s. Orissa Coal-Chem Industries Pvt. Ltd. Dhenkanal	79.59	The Hon'ble High Court of Orissa has stayed the proceeding before the IFC.	The case is yet to be listed for final hearing by the Hon'ble Court.	High Court, Odisha
6	DIL (Claimant) vrs. NALCO.	2001	Arising out of contract for Dispute arose out of contract for Civil work for Boiler, Turbo Generator CPP.	449.02	The proceeding before the Arbitrator is stayed by Dist. Judge, Angul.	The case is yet to be listed for final hearing by the Hon'ble Court.	Dist Judge, Angul
7	Supplier HEI & Others.(Claimant)	2002	Supply of 30nos. of BTPN wagons	575.12	Section 12, 14 petition filed under Arbitration and Conciliation Act, 1996 dismissed against claimant.	The order has gone in favour of NALCO. The party is yet to prefer appeal.	District Judge, Khurda
8	Bhilai Engineering Claimant Vs. NALCO	2002	Court case for 90 pot shell	932.85	Case is at stage of Award	Award is yet to be published.	Arbitrator
9	Orien. Engg. (Claimant) vrs. NALCO.	2002	Arising out of contract for Expansion of Port Handling	383.00	Award passed and challenged by both the parties before the Learned Court of Dist.	The case is yet to be listed for final hearing by the Hon'ble Court.	Court of Dist. Judge, Khurda.



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			Facility		Judge, Khurda.		
10	Jaganath Transport Corpn. (Claimants) vrs. NALCO.	2003	Arising out of contract for Railway Track Work (Package-P3) Expansion of Rail Transport System at NALCO, Dmanjodi and Visakahapatnam	155.36	The case is at the stage of hearing.	NALCO has no claim nor counter claim.	Arbitrator
11	Marc Rich (Claimant) vrs. NALCO	2004	Short supply of Alumina	744.71	2 nd partial award has been published on 8 th August, 2006 amounting to USD401,662.08 together with interest on this sum at the rate of 5% per annum from 30 th June, 2004.	Action will be taken when the party files execution petition in India.	-
12	Unit Construction, Claimant vrs. NALCO.	2004	Arising out of contract for Civil works IV of NALCO Expansion of Bauxite Mines and Alumina Refinery	215.24	Order passed under Section-16 Petition under A&C Act, 1996 by Dist. Judge, Khurda is challenged by NALCO in High Court of Orissa.	The case is yet to be listed for final hearing by the Hon'ble Court.	Hon'ble High Court of Orissa.
13	Funance Fabric India Ltd. (Claimant)	2004	Arising out of contract for Modification of existing alumina calciner plant and construction of new calciner plant at Damanjodi.	66.91	The award passed against Furnace Fabrica is challenged before the Learned Court of Dist. Judge, Koraput.	The case is yet to be listed for final hearing by the Hon'ble Court.	District Judge, Koraput

Raj Kumar Singh



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14	VCC, Claimant vrs. NALCO.	2005	Arising out of contract for operation maintenance & management of NALCO's Rail Transport System for Smelter and Power Complex at Angul and for maintenance of track signaling and for traffic operation.	182.51	Section 16 Petition under A&C Act,1996 is being heard.	Original arbitrator resigned. Arbitrator appointed on the resignation of 1 st Arbitrator expired. New Arbitrator has been appointed on 30.08.2013. The proceeding before him continues.	Arbitrator.
15	VCC, Claimant vrs. NALCO.	2005	Arising out of contract for operation maintenance & management of NALCO's Rail Transport System for Smelter and Power Complex at Angul and for maintenance of track signaling and for traffic operation.(Interest @24%)	731.14	Section 16 Petition under A&C Act,1996 is being heard.	Original arbitrator resigned. Arbitrator appointed on the resignation of 1 st Arbitrator expired. New Arbitrator has been appointed on 30.08.2013. The proceeding before him continues.	Arbitrator.
16	Vivek Steel (Claimant) Vs. NALCO	2005	SCRAP Disposal	90.00	Arbitration Proceeding stayed by the Court.	The case is yet to be listed for final hearing by the Hon'ble Court.	District Court, Alipur (case No.1/08)
17	Jagannath Choudhury,	2007	Arising out of	292.09	Sole arbitrator	NALCO has no	The party

Agast & Associates
Bhubaneswar
Chartered Accountants

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1	2	3	4	5	6	7	8
	Claimant vrs. NALCO.		contract for (i) Bitumen carpeting of mines access road from Mathalput to Mines, (ii) construction of a new approach road to deep cut area at M&R Complex, Damanjodi.		expired.	claim nor counter claim.	has not yet requested for appointment of new arbitrator.
18	Arjun Sahu & 03 others Claimants Vs Spl. L.A.O Angul	2009	Claim of higher compensation of land acquisition	76.40	LA Case No. 188/2009, Civil Judge Angul is disposed of on 16.01.2013 in favour of Claimant. NALCO filed appeal LAA No.36 of 2013 before the Hon'ble High Court of Orissa. On 24.11.2013 the case was disposed of by Lok Adalat in favour of NALCO.	-	-
19	JP Mishra, Claimant vrs. NALCO	2010	Arising out of contract for supply of lime to NALCO, M&R Complex, Damanjodi	149.94	The Award was published against NALCO and is under challenge and NALCO preferred appeal in High Court against the order of the Dist. Judge, Khurda and got an order of stay.	The case is yet to be listed for final hearing by the Hon'ble Court.	High Court of Orissa
20	Himadhri Chemical In Pvt Ltd (Claimant) vrs. NALCO.	2010	Arising out of contract for supply of Liquid Coal Tar Pitch to our Smelter Plant Angul.	2679.08	Hearing on Section 16 Petition by the Respondent is continuing.	The original arbitrator was replaced by a newly appointed arbitrator on 14.03.2014. The proceeding before	Arbitrator



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1	2	3	4	5	6	7	8
						continues.	
21	M/s.Ajay Transport Co. Ltd., Claimant vrs. NALCO.	2011	Work Order No.CPP/CNT/M C-3635/WO/2010/3359 dated 29.12.2010	180.10	The Arbitrator has passed the award on 28.04.2015 in favour of Claimant.	The award is under scrutiny by NALCO.	-
22	Maheswari Brothers Coal Ltd. (Claimant) vrs. NALCO.	2012	P.O. No. CPP/MMP/COAL/2008/PO/586 Dated 29.04.2009.	4267.17	Proceeding continues	Hearing continues.	Arbitrator.
23	NPCC (Claimant) Vs NALCO	2014	NPCC Vs NALCO	1090.75	Statement of claim filed.	Permanent Machinery of Arbitrators, New Delhi.	Permanent Machinery of Arbitrators, New Delhi.

