

By Speed Post

NBC/S/4.5 & 4.5(A)/2016/

Date : 28/05/2016

The Manager The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001.	The Manager Listing Department National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra East, MUMBAI - 400 051.
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Dear Sir,

Sub: a) Submission of Audited Financial Results & Statement of Assets & Liabilities for the quarter and year ended 31.03.2016.

b) Recommendation of Final Dividend.

1.0 This has reference to the correspondence resting with our letter No. NBC/S/4.5(A)/2016/842 dtd. 21-05-2016 on the above subject.

In terms of Regulation 33 of SEBI (LODR) Regulations, 2015, please find enclosed a copy of the audited Financial Results for the quarter and year ended 31.03.2016. These were approved and adopted by the Board in their meeting held on 28.05.2016. Necessary publication is also being made on local & English dailies.

2.0 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 31.03.2016.

3.0 The Board of Directors have recommended payment of final dividend @₹ 0.75 per share (15% 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, 2016 on equity share capital subject to the approval of shareholders in the ensuing 35th Annual General Meeting.

Thanking you,

Yours faithfully,
For **National Aluminium Co. Ltd.**


(K. N. RAVINDRA)
ED-COMPANY SECRETARY

Encl. As above.

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,
Plot No. P/1, Nayapalli, Bhubaneswar-751013, India

CIN # L27203OR1981GOI000920

Tel.: 0674-2301988-999, Fax: 0674-2300677, Email: investorservice@nalcoindia.co.in, Website: www.nalcoindia.com

Standalone & Consolidated Statement of Assets and Liabilities

(Rs. in Crore)

Particulars		STANDALONE		CONSOLIDATED	
		As at 31/03/2016 (Audited)	As at 31/03/2015 (Audited)	As at 31/03/2016 (Audited)	As at 31/03/2015 (Unaudited)
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	1,288.62	1,288.62	1,288.62	1,288.62
	(b) Reserves and surplus	11,619.06	11,508.68	11,627.88	11,508.80
	Sub-total - Shareholders' funds	12,907.68	12,797.30	12,916.50	12,797.42
2	Non-current liabilities				
	(a) Deferred tax liabilities (net)	1,110.09	1,105.27	1,110.09	1,105.27
	(b) Other long-term liabilities	68.26	65.30	69.47	65.30
	(c) Long-term provisions	223.72	242.76	223.72	242.76
	Sub-total - Non-current liabilities	1,402.07	1,413.33	1,403.28	1,413.33
3	Current liabilities				
	(a) Trade payables	581.38	440.18	581.38	440.18
	(b) Other current liabilities	1,350.45	1,340.65	1,350.77	1,340.65
	(c) Short-term provisions	277.41	186.21	277.43	186.22
	Sub-total - Current liabilities	2,209.24	1,967.04	2,209.58	1,967.05
	TOTAL - EQUITY AND LIABILITIES	16,518.99	16,177.67	16,529.36	16,177.80
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	7,128.86	7,195.15	7,129.65	7,195.43
	(b) Non-current investments	811.08	1.04	810.03	0.03
	(c) Long-term loans and advances	1,347.55	1,221.85	1,347.55	1,221.85
	(d) Other non-current assets	49.48	47.45	49.48	47.45
	Sub-total - Non-current assets	9,336.97	8,465.49	9,336.71	8,464.76
2	Current assets				
	(a) Current investments	66.00	950.00	66.00	950.00
	(b) Inventories	1,126.97	1,165.56	1,126.97	1,165.56
	(c) Trade receivables	235.21	120.82	235.21	120.82
	(d) Cash and cash equivalents	4,933.53	4,627.98	4,944.11	4,628.79
	(e) Short-term loans and advances	586.67	607.54	586.68	607.54
	(f) Other current assets	233.64	240.28	233.68	240.33
	Sub-total - Current assets	7,182.02	7,712.18	7,192.65	7,713.04
	TOTAL - ASSETS	16,518.99	16,177.67	16,529.36	16,177.80

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

(Rs. in Crore)

Sl. No.	Particulars	STANDALONE					CONSOLIDATED	
		Quarter ended		Year ended			Year ended	
		31/03/2016 (Audited)	31/12/2015 (Reviewed)	31/03/2015 (Audited)	31/03/2016 (Audited)	31/03/2015 (Audited)	31/03/2016 (Audited)	31/03/2015 (Unaudited)
1	2	3	4	5	6	7	8	9
1 Segment Revenue :								
a) Chemicals		892.76	933.70	959.71	3,627.69	3,884.92	3,627.69	3,884.92
b) Aluminium		1,223.20	1,122.36	1,213.38	4,538.40	4,807.35	4,538.40	4,807.35
c) Unallocated Common		7.88	6.57	8.52	50.25	58.21	50.25	58.21
Total :		2,123.84	2,062.63	2,181.61	8,216.34	8,750.48	8,216.34	8,750.48
Less: Inter segment revenue		286.98	446.66	403.15	1,513.01	1,488.58	1,513.01	1,488.58
Net sales / Income from operations		1,836.86	1,615.97	1,778.46	6,703.33	7,261.90	6,703.33	7,261.90
2 Segment Results :								
Profit before tax and interest :								
a) Chemicals		125.22	256.50	243.11	875.47	1,094.77	875.47	1,094.77
b) Aluminium		64.74	(132.37)	305.91	(192.57)	581.49	(192.57)	581.49
Sub-total :		189.96	124.13	549.02	682.90	1,676.26	682.90	1,676.26
Less: Interest & financing charges		-	-	-	1.21	-	1.21	-
Add: Other unallocated income								
net of unallocated expenses		91.27	85.08	91.59	421.07	437.16	421.11	437.23
Total Profit before Tax :		281.23	209.21	640.61	1,102.76	2,113.42	1,102.80	2,113.49
3 Capital Employed (assets - liabilities)								
a) Chemicals		3,088.71	2,920.50	3,063.88	3,088.71	3,063.88	3,088.71	3,063.88
b) Aluminium		3,819.51	3,907.09	4,071.61	3,819.51	4,071.61	3,819.51	4,071.61
c) Unallocated Common		7,109.55	7,582.01	6,767.08	7,109.55	6,767.08	7,118.37	6,767.20
Total :		14,017.77	14,409.60	13,902.57	14,017.77	13,902.57	14,026.59	13,902.69

1) Above financial results have been examined by Audit Committee and approved by the Board in the meeting held on 28th May,2016.

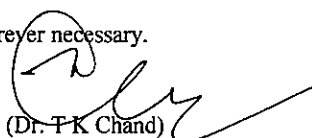
2) The Board has recommended final dividend of 15% (Rs 0.75) per equity share of Rs.5 each, subject to approval of the members in the ensuing Annual General Meeting.

3) The Company presents it's first Annual Consolidated financial statements which is based on the audited annual accounts for the year 2015-16 of the joint venture companies except Angul Aluminium Park Pvt. Ltd. whose accounts are approved by it's Board but yet to be audited. Figures for the year 2014-15 are unaudited to the extent of the accounts of joint venture companies.

4) 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.

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

Place :Bhubaneswar
Dated : 28th May,2016

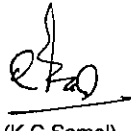

(Dr. T K Chand)
Chairman-Cum-Managing Director

FORM A (for audit report with unmodified opinion)

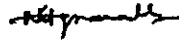
1. Name of the Company : NATIONAL ALUMINIUM COMPANY LIMITED
2. Annual financial statements for the year ended : 31st March 2016
3. Type of Audit observation : Un Modified
4. Frequency of observation : Not Applicable



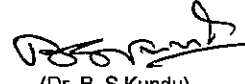
(Dr. T K Ghosh)
Chairman-Cum-Managing Director



(K C Samal)
Director (Finance)



(CA. Niranjana Agrawalla)
Partner (M.No. : 087939)
ABP & Associates
Auditor



(Dr. B S Kundu)
Partner (M.No. : 051221)
Guha Nandi & Co.
Auditor



(CA. P K Nayak)
Chairman
Audit Committee

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL ALUMINIUM COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **National Aluminium Company Limited** ("the Company"), which comprises Balance Sheet as at 31st March 2016, the Statement of Profit & Loss and 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 standalone 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 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 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 thereunder.

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 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 accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

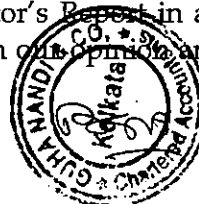
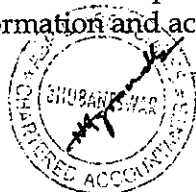
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2016, and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we, on the basis of information and explanations given to us, give in the Annexure "A" to this report, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. In compliance to directions of the Comptroller and Auditor General of India u/s.143(5) of the Act, we give in Annexure "B" to this report a statement on the matters specified therein.
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 purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone 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. Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "C".
 - g. 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:

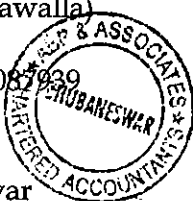


- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts that required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 17 to the financial statements.

For ABP & Associates
Chartered Accountants
FRN - 315104E

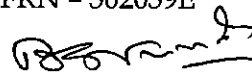


(CA Niranjana Agrawalla)
Partner
Membership No. 087939



Place : Bhubaneswar
Dated : 28th May, 2016

For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E



(Dr. B. S. Kundu)
Partner
Membership No. 051221



ANNEXURE – A

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF NATIONAL ALUMINIUM COMPANY LIMITED

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All movable assets of the Company are physically verified by the management every year. The frequency of verification, in our opinion, is reasonable. No material discrepancies were noticed on such verification conducted during the year;

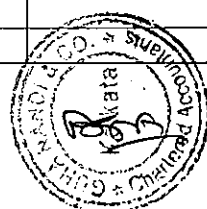
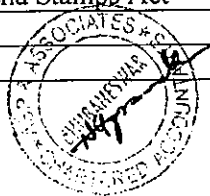
Non-movable assets have been physically verified by the management at an interval of three years, which, in our opinion, is reasonable having regard to the size and nature of assets of the Company. As informed to us, no material discrepancies between book records and physical assets have been noticed;

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deeds of immovable properties are held in the name of the Company. Out of 7972.31 acres of freehold land and 8945.98 acres of leasehold land held by the Company, title/lease deeds are not yet executed in respect of 66.92 acres of freehold and 1576.10 acres of leasehold land respectively. However, the Company has been permitted by the concerned authorities to carry on its operation on the said land. Registration formalities in respect of office space for 6459 sft. in Kolkata is also not completed.
- ii) 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 during the year by firms of Chartered Accountants appointed by the management. The frequency of verification is reasonable. 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, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, clauses (iii) (a), (b) & (c) of paragraph 3 of the Order are not applicable;
- iv) Section 185 of the Act regarding loans to directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act with respect to the loans and investments made.



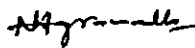
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the books and records maintained by the Company as specified by the Central Government for the maintenance of cost records under 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 of the Company, in our opinion the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, electricity duty and other material statutory dues with the appropriate authorities and there are no undisputed statutory dues as at 31st March, 2016 outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, following statutory dues have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of Dues	Amount disputed (₹ in crore)	Amount deposited (₹ in Crore)	Forum where disputes are pending
Sales Tax	Sales Tax	147.44	31.25	Commissioner
		181.60	53.38	Tribunal
		80.95	3.56	High Court
		409.99	88.29	
Entry Tax	Entry Tax	158.63	40.94	Commissioner
		71.64	35.10	Tribunal
		58.40	22.68	High Court
		288.67	98.72	
Central Excise Act, 1944	Excise Duty	18.08	1.17	Commissioner
		7.79	0.14	Tribunal
		26.75	0.00	High Court
		52.62	1.31	
Service Tax	Service tax	2.25	0.00	Commissioner
		0.10	0.02	Tribunal
		2.35	0.02	
Customs Act, 1962	Custom Duty	5.25	0.00	Commissioner
Income Tax Act, 1961	Income Tax	569.80	569.80	Commissioner
		86.64	60.40	Tribunal
		31.92	31.92	High Court
		688.36	662.12	
Odisha Stamps Act	Stamp duty	204.53	0.00	High Court
Total:		1,651.77	850.46	



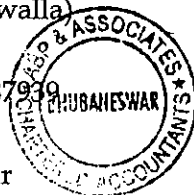
- viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) Section 197 of the Act regarding managerial remuneration is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with any director or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For ABP & Associates
Chartered Accountants
FRN - 315104E

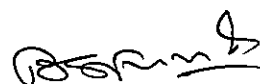


(CA Niranjana Agrawalla)
Partner
Membership No. 087939

Place : Bhubaneswar
Dated : 28 May, 2016



For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E



(Dr. B. S. Kundu)
Partner
Membership No. 051221



ANNEXURE "B"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NATIONAL ALUMINIUM COMPANY LIMITED

(Referred to in paragraph 2 under the heading of "Report on Other Legal and
Regulatory Requirements" of our Report of even date)

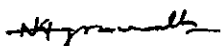
Report on the directions under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

1. According to the information and explanations given to us by the management and on the basis of our examination of books and records, the Company has clear title/lease deeds for freehold and leasehold land respectively wherever the title/lease deeds are executed. There are 66.92 acres of freehold and 1576.10 acres of lease hold land out of 7972.31 acres of freehold and 8945.98 acres of lease hold land in respect of which the title/lease deeds are not yet executed. However the Company has been permitted by the concerned authorities to carry on its operation on the said land.
2. As informed to us by the management and based on our examination of books and records of the Company, there are 35 cases of write-off of advances, debtors, claims and capital work-in-progress amounting to Rs.89.21 lacs as detailed below. The reason of write-off, as explained to us, is that these are old balances lying unadjusted / unrealized for a long time, have become time-barred and chances of recovery / adjustments are remote.

Types of write off / waiver	No of cases	Amount in Rs. Lacs
Advances	22	21.08
Debtors	5	0.08
Claims	7	58.05
Capital Work-in-Progress	1	10.00
Total	35	89.21

3. (a) On the basis of our examination of books and records of the Company, we state that proper records are maintained for inventories lying with third parties.
- (b) According to the information and explanations given to us and based on our examination of books and records, the Company has not received any asset as gift/grant(s) from Government or other authorities during the year.

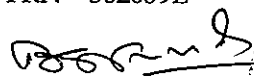
For ABP & Associates
Chartered Accountants
FRN - 315104E

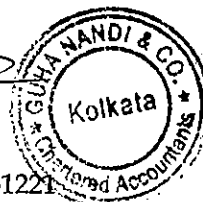

(CA Niranjana Agrawal)
Partner
Membership No. 087939

Place : Bhubaneswar
Dated : 28 May, 2016



For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E


(Dr. B. S. Kundu)
Partner
Membership No.051221



ANNEXURE "C"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NATIONAL ALUMINIUM COMPANY LIMITED

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

We have audited the internal financial controls over financial reporting of **NATIONAL ALUMINIUM COMPANY LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

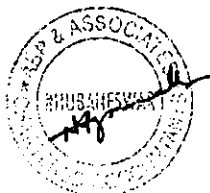
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Controls 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 statements 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 records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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.

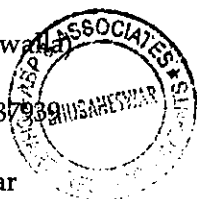
Opinion

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 March 31, 2016, 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.

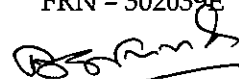
For ABP & Associates
Chartered Accountants
FRN - 315104E


(CA Niranjan Agrawal)
Partner
Membership No. 087939

Place : Bhubaneswar
Dated : 28 May, 2016



For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E


(Dr. B. S. Kundu)
Partner
Membership No. 051221



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL ALUMINIUM COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **National Aluminium Company Limited** (hereinafter referred to as "the Company") and its jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's board of directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its jointly controlled entities 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. The board of directors of the Company and its jointly controlled companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 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 consolidated financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

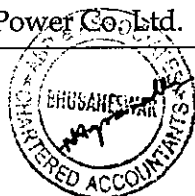
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its jointly controlled entities as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements of the following jointly controlled entities of the Company, whose financial statements reflect proportionate total assets of Rs.0.03 crore as at 31st March, 2016, proportionate total revenues of Rs.* crore and proportionate net cash flows amounting to Rs.0.04 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Company's share of net loss of Rs.0.02 crore for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of these jointly controlled entities, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities is based solely on the reports of the other auditors. (* amount less than one lac).

(Rs. in Crore)

Name of the Jointly Controlled Entity	Assets	Revenues	Net Profit/ (Loss)	Net Cash Flow
GACL-NALCO Alkalis & Chemicals Pvt. Ltd.	0.02	0.00	(0.02)	0.04
NPCIL-NALCO Power Co. Ltd.	0.01	*	*	*



- b) We did not audit the financial statements of Angul Aluminium Park Pvt. Ltd., a jointly controlled entity of the Company, whose financial statements reflect proportionate total assets of 9.84 crore as at 31st March, 2016, proportionate total revenues of 0.07 crore and proportionate net cash flows amounting to 9.72 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Company's share of net profit of Rs.0.04 crore for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of the above stated jointly controlled entity, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material for the purpose of preparing the consolidated financial statements.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

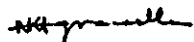
Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated 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. Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India, and on the basis of the reports of the statutory auditors of its jointly controlled companies incorporated in India, and management certificate in respect of the unaudited entity, none of the director of these jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and its jointly controlled entities and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
 - g. 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its jointly controlled entities. Refer Note 20 to the consolidated financial statements.
- ii. The Company and its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts that required to be transferred to the Investor Education and Protection Fund by the Company and its jointly controlled companies incorporated in India. Refer Note 17 to the consolidated financial statements.

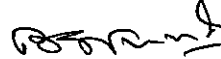
For ABP & Associates
Chartered Accountants
FRN - 315104E



(CA Niranjana Agrawal)
Partner
Membership No. 087939



For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E



(Dr. B. S. Kundu)
Partner
Membership No. 051221



Place : Bhubaneswar
Dated : 28th May, 2016

ANNEXURE "A"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL ALUMINIUM COMPANY LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **NATIONAL ALUMINIUM COMPANY LIMITED** (hereinafter referred to as ("the Company") and its jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its jointly controlled companies, which are companies incorporated in India, are 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 (ICAI). 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 the respective 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, 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 Controls 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 statements 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 records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the 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 statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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.

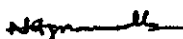
Opinion

In our opinion, the Company and its jointly controlled entities, which are companies incorporated in India, have, 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 March 31, 2016, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 (two) jointly controlled entities of the Company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India and insofar as it relates to 1 (one) jointly controlled entity of the Company, which is a company incorporated in India, is based on the management's report.

For ABP & Associates
Chartered Accountants
FRN - 315104E


(CA Niranjana Agrawala)
Partner
Membership No. 087939



Place : Bhubaneswar
Dated : 28th May, 2016

For Guha Nandi & Co.
Chartered Accountants
FRN - 302039E


(Dr. B. S. Kundu)
Partner
Membership No. 051221

