



April 25, 2016

Dy. General Manager
BSE Limited
Corporate Relationship Department
New Trading Ring (1st Floor)
Rotunda Building
P J Towers
Dalal Street
Mumbai – 400 001.

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza (5th Floor)
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051.

Dear Sir,

Sub : Submission of Audited Financial Results for the quarter/year ended 31st March, 2016

Ref : Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that the Board of Directors of Tata Sponge Iron Limited at its meeting held on 25th April, 2016, has approved the audited financial results for the quarter/year ended 31st March, 2016. The said results are attached herewith.

In the said meeting the Board has also recommended/decided the following :

- 1) The Board has recommended a dividend of Rs.10 /- per equity share (i.e. 100%) on 1,54,00,000 equity shares of the Company for the year ended 31st March, 2016. Subject to shareholders' approval at the ensuing Annual General Meeting, the cash outflow on account of dividend will be Rs. 1540 lakh.
- 2) It has been decided to hold the Thirty-third Annual General Meeting of the Company on Tuesday, the 26th July, 2016 at 10:00 a.m. at "Lake View Recreation Centre" at TSIL Township, Joda, Dist-Keonjhar, Odisha – 758 034.

This is for your information and record.

Thanking you,

Yours faithfully,
for Tata Sponge Iron Limited

(Sanjay Kasture)
Company Secretary

TATA Sponge Iron Limited

PO Joda Dist Keonjhar Odisha 758 034 India
Tel +91 6767 278178 Fax 278129 Email info@tatasponge.com

CIN : L27102OR1982PLC001091

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF TATA SPONGE IRON LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **TATA SPONGE IRON LIMITED** ("the Company") for the year ended 31 March, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

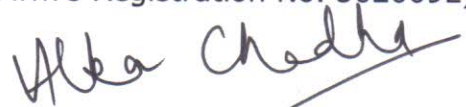
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and



- (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the year ended 31 March, 2016.
4. The Statement includes the results for the Quarter ended 31 March, 2016 being the balancing figure between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)



Alka Chadha
Partner
(Membership No. 94374)

KOLKATA, 25 April, 2016

TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2016

Part I					
(Rs. In Lacs)					
Particulars	3 Months ended 31.03.2016 (See note 6)	Preceding 3 months ended 31.12.2015 (Audited)	Corresponding 3 months ended 31.03.2015 in the previous year (See note 6)	Current accounting year ended 31.03.2016 (Audited)	Previous accounting year ended 31.03.2015 (Audited)
1 Income from operations					
a) Net Sales/Income from operations (Net of excise duty)	14,037	13,878	15,985	57,179	76,623
b) Other operating income	2	11	48	174	2,350
Total Income from operations (net)	14,039	13,889	16,033	57,353	78,973
2 Expenses					
a) Cost of materials consumed	8,574	11,140	13,839	40,613	58,620
b) Purchase of stock-in-trade	-	-	-	780	-
c) Changes in inventories of finished goods and stock-in-trade	83	(131)	(1,026)	1,300	(568)
d) Employee benefits expense	996	943	1,170	3,560	3,515
e) Depreciation and amortisation expenses	306	343	407	1,290	1,294
f) Other expenses [Refer note 6]	2,913	1,704	2,224	8,865	7,483
Total Expenses	12,872	13,999	16,614	56,408	70,344
3 Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	1,167	(110)	(581)	945	8,629
4 Other Income	1,091	826	2,353	3,766	5,548
5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)	2,258	716	1,772	4,711	14,177
6 Finance Costs	366	57	223	538	530
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,892	659	1,549	4,173	13,647
8 Exceptional items	-	-	-	-	-
9 Profit from ordinary activities before tax (7 + 8)	1,892	659	1,549	4,173	13,647
10 Tax expense	611	135	692	1,090	4,458
11 Net Profit from ordinary activities after tax (9 - 10)	1,281	524	857	3,083	9,189
12 Extraordinary items (net of tax expenses)	-	-	-	-	-
13 Net Profit for the period (11 - 12)	1,281	524	857	3,083	9,189
14 Paid up equity share capital (Face value : Rs.10 per share)	1,540	1,540	1,540	1,540	1,540
15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year				79,207	77,977
16 Earnings Per share (EPS) (Face value : Rs.10 per share)					
a) Basic and diluted EPS before extraordinary items (not annualised)	8.32	3.40	5.56	20.02	59.67
b) Basic and diluted EPS after extraordinary items (not annualised)	8.32	3.40	5.56	20.02	59.67
See accompanying note to the financial results					



TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2016

Particulars	(Rs. In Lacs)				
	3 Months ended 31.03.2016 (See note 6)	Preceding 3 months ended 31.12.2015 (Audited)	Corresponding 3 months ended 31.03.2015 in the previous year (See note 6)	Current accounting year ended 31.03.2016(Audited)	Previous accounting year ended 31.03.2015 (Audited)
1. Revenue by Business Segment :					
Sponge business	12,288	12,566	14,892	52,570	74,224
Power business	2,096	1,701	458	6,131	6,198
Total	14,384	14,267	15,350	58,701	80,422
Less: Intersegment revenue	(345)	(378)	683	(1,348)	(1,449)
Net sales / income from operation	14,039	13,889	16,033	57,353	78,973
2. Segment results (Profit)(+)/ Loss (-) before finance costs, exceptional items and tax:					
Sponge business	(741)	(1,097)	561	(3,259)	6,535
Power business	1,912	995	3	4,237	4,220
Unallocated income/ (expenditure)	1,087	818	1,208	3,733	3,422
Total segment results before finance costs, exceptional items and tax	2,258	716	1,772	4,711	14,177
Less: Finance cost	366	57	223	538	530
Profit before exceptional items and tax	1,892	659	1,549	4,173	13,647
Exceptional items:	-	-	-	-	-
Profit before tax	1,892	659	1,549	4,173	13,647
Less : Tax expense	611	135	692	1,090	4,458
Net Profit for the period	1,281	524	857	3,083	9,189
3. Segment Capital Employed :					
(Segment Assets - Segment Liabilities)					
Sponge business	9,379	12,080	16,896	9,379	16,896
Power business	4,365	3,984	4,508	4,365	4,508
Others	-	-	-	-	-
Unallocated	67,003	65,255	58,113	67,003	58,113
Total	80,747	81,319	79,517	80,747	79,517

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TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist.- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

STANDALONE STATEMENT OF ASSETS AND LIABILITIES	(Rs. In Lacs)	
	As at 31.03.2016	As at 31.03.2015
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Share holders' Funds		
(a) Share Capital	1,540	1,540
(b) Reserves and Surplus	79,207	77,977
Sub-total - Shareholders' funds	80,747	79,517
2 Non- current liabilities		
(a) Deferred Tax Liabilities (net)	2,173	2,304
(b) Other long term liabilities	-	-
(c) Long-term provisions	687	528
Sub-total - Non- current liabilities	2,860	2,832
3 Current Liabilities		
(a) Short-term borrowings	-	-
(b) Trade Payables	4,069	4,690
(c) Other current liabilities	1,849	1,756
(d) Short-term provisions	9,215	8,495
Sub-total - Current Liabilities	15,133	14,941
TOTAL - EQUITY AND LIABILITIES	98,740	97,290
B ASSETS		
1 Non- current assets		
(a) Fixed Assets	17,323	16,764
(b) Non current investments	186	186
(c) Long term loans and advances	20,353	19,568
(d) Other non-current assets	2	2
Sub-total - Non- current assets	37,864	36,520
2 Current Assets		
(a) Current investments	28,350	20,614
(b) Inventories	3,236	10,845
(c) Trade receivables	2,943	888
(d) Cash and bank balances	25,205	25,151
(e) Short-term loans and advances	639	2,233
(f) Other current assets	503	1,039
Sub-total - current assets	60,876	60,770
TOTAL - ASSETS	98,740	97,290

Notes :

- (1) The above results have been noted in the Audit committee and approved at the meeting of the Board of Directors held on 25 April, 2016.
- (2) The Company has identified business segment as the primary segment which have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of sponge iron and generation of power. Further, as the Company's products are sold primarily in India there is no reportable secondary segment i.e. Geographical Segment.



TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

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CIN : L27102OR1982PLC001091

- (3) (a) In the month of November 2012, Ministry of Coal ("MoC") issued notices to the Company for invocation of bank guarantee of Rs. 3,250 lacs submitted towards performance of conditions for allocation of coal block against which the Company had filed a writ petition in the Hon'ble High Court of Delhi, which directed the Company to keep the bank guarantee valid till 30 November, 2015 by which date the MoC was directed to take decision. Meanwhile, the bank guarantee expired and had not been renewed, since no communication had been received from MoC. Subsequently, MoC issued a notice dated 28 December, 2015, stating that the bank guarantee be invoked and the aforesaid amount be deposited. Consequent to MoC's notice, the Company has moved to the Hon'ble High Court of Delhi, where the matter is pending adjudication. The Company has been advised and has obtained a legal opinion that as the original allocation has been declared illegal and cancelled by the Hon'ble Supreme Court, the bank guarantee pertaining to such allocation (which is non-est and void ab initio) shall consequently be deemed to be invalid and void ab initio. Pending finalisation of the matter, the amount continues to be disclosed as a contingent liability.
- (b) (i) During pendency of the aforesaid matters in Hon'ble High Court of Delhi, the Hon'ble Supreme Court of India vide its order dated 24 September, 2014 has cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The carrying value of investments made in Radhikapur (East) Coal Block as on 31 March, 2016 aggregates to Rs. 18,040.96 lacs (March 31, 2015: 18,074.18 lacs).
- (ii) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India has promulgated Coal Mines (Special Provision) Rules, 2014 ("Rules") for allocation of the coal mines through auction and matters related thereto. In terms of the said Rules, the successful bidder will be called upon to pay to the prior allocatee the expenses incurred by the prior allocatee towards land and mine infrastructure. Pursuant to MoC's directive seeking the details of expenses vide letter dated 26 December, 2014, the Company has furnished the required statement of expenses on 5 January, 2015. Based on the Rules and necessary legal opinion obtained by the Company, no provision is considered necessary.
- (4) The figures of the last quarter are the balancing figure between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the full financial year .
- (5) The Board of Directors has recommended a dividend of Rs. 10/- per equity (100%) share for the year ended 31 March, 2016. The cash outflow on account of dividend will be Rs. 1,540.00 lacs and for tax on distributed profit including Education Cess will be Rs. 313.51 lacs.
- (6) Other expenses includes Rs.1,005 lacs on account of demand by Government of Odisha towards Water Conservation Fund.
- (7) Figures for the previous period/year have been regrouped and reclassified to conform to the classification of current period, where necessary.

For and on behalf of the Board of Directors



[Signature]
D. P. Deshpande
Managing Director
Kolkata, 25 April, 2016.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF TATA SPONGE IRON LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **TATA SPONGE IRON LIMITED** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the year ended 31 March, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which is in accordance with the Accounting Standards, prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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



3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - a. includes the results of its subsidiary TSIL ENERGY LIMITED
 - b. read with our comments in paragraph 4 below, is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and other financial information of the Group for the year ended 31 March, 2016.
4. The Statement includes the consolidated results for the Quarter ended 31 March, 2016 which have not been reviewed or audited by us and have been included in the Statement solely based on the information of the Management.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 3002009E)



Alka Chadha
Partner
(Membership No.94374)

KOLKATA, 25 April, 2016

TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2016

Particulars	(Rs. In Lacs)				
	3 Months ended 31.03.2016 (See note 5)	Preceding 3 months ended 31.12.2015 (See note 5)	Corresponding 3 months ended 31.03.2015 in the previous year (See note 5)	Current accounting year ended 31.03.2016 (Audited)	Previous accounting year ended 31.03.2015 (Audited)
1 Income from operations					
a) Net Sales/Income from operations (net of excise duty)	14,037	13,878	15,985	57,179	76,623
b) Other operating income	2	11	48	174	2,350
Total Income from operations (net)	14,039	13,889	16,033	57,353	78,973
2 Expenses					
a) Cost of materials consumed	8,574	11,140	13,839	40,613	58,620
b) Purchase of stock-in-trade	-	-	-	780	-
c) Changes in inventories of finished goods and stock-in-trade	83	(131)	(1,026)	1,300	(568)
d) Employee benefits expense	996	943	1,170	3,560	3,515
e) Depreciation and amortisation expenses	306	343	407	1,290	1,294
f) Other expenses	2,914	1,704	2,225	8,866	7,484
Total Expenses	12,873	13,999	16,615	56,409	70,345
3 Profit / (Loss) from Operations before other income, finance cost and exceptional Items (1-2)	1,166	(110)	(582)	944	8,628
4 Other Income	1,092	827	2,354	3,772	5,554
5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)	2,258	717	1,772	4,716	14,182
6 Finance Cost	366	57	223	538	530
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,892	660	1,549	4,178	13,652
8 Exceptional items	-	-	-	-	-
9 Profit from ordinary activities before tax (7 + 8)	1,892	660	1,549	4,178	13,652
10 Tax expense	611	135	692	1,090	4,458
11 Net Profit from ordinary activities after tax (9 - 10)	1,281	525	857	3,088	9,194
12 Extraordinary items (net of tax expenses)	-	-	-	-	-
13 Net Profit for the period (11 - 12)	1,281	525	857	3,088	9,194
14 Paid up equity share capital (Face value : Rs.10 per share)	1,540	1,540	1,540	1,540	1,540
15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year				79,212	77,977
16 Earnings Per share (EPS)					
a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not annualised)	8.32	3.41	5.56	20.05	59.71
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised)	8.32	3.41	5.56	20.05	59.71
See accompanying note to the financial results					



TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH, 2016					
Particulars	(Rs. In Lacs)				
	3 Months ended 31.03.2016 (See note 4)	Preceding 3 months ended 31.12.2015 (Audited)	Corresponding 3 months ended 31.03.2015 in the previous year (See note 4)	Current accounting year ended 31.03.2016(Audited)	Previous accounting year ended 31.03.2015 (Audited)
1. Revenue by Business Segment :					
Sponge business	12,288	12,566	14,892	52,570	74,224
Power business	2,096	1,701	458	6,131	6,198
Total	14,384	14,267	15,350	58,701	80,422
Less: Intersegment revenue	(345)	(378)	683	(1,348)	(1,449)
Net sales / income from operation	14,039	13,889	16,033	57,353	78,973
2. Segment results (Profit)(+)/ Loss (-) before finance costs, exceptional items and tax:					
Sponge business	(741)	(1,097)	561	(3,259)	6,535
Power business	1,912	995	3	4,237	4,220
Unallocated income/ (expenditure)	1,087	822	1,212	3,738	3,427
Total segment results before finance costs, exceptional items and tax	2,258	720	1,776	4,716	14,182
Less: Finance cost	366	57	223	538	530
Profit /(Loss) before exceptional items and tax	1,892	663	1,553	4,178	13,652
Exceptional items:	-	-	-	-	-
Profit / (Loss) before tax	1,892	663	1,553	4,178	13,652
Less : Tax expense	611	135	692	1,090	4,458
Net Profit /(Loss)	1,281	528	861	3,088	9,194
Segment Capital Employed :					
Sponge business	9,379	12,080	16,896	9,379	16,896
Power business	4,365	3,984	4,508	4,365	4,508
Others	-	-	-	-	-
Unallocated	67,008	65,259	58,113	67,008	58,113
Total	80,752	81,323	79,517	80,752	79,517



TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES	(Rs. In Laacs)	
	As at 31.03.2016	As at 31.03.2015
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Share holders' Funds		
(a) Share Capital	1,540	1,540
(b) Reserves and Surplus	79,212	77,977
Sub-total - Shareholders' funds	80,752	79,517
2 Non- current liabilities		
(a) Deferred Tax Liabilities (net)	2,173	2,304
(b) Other long term liabilities	-	-
(c) Long-term provisions	687	528
Sub-total - Non- current liabilities	2,860	2,832
3 Current Liabilities		
(a) Short-term borrowings	-	-
(b) Trade Payables	4,070	4,691
(c) Other current liabilities	1,848	1,756
(d) Short-term provisions	9,215	8,495
Sub-total - Current Liabilities	15,133	14,942
TOTAL - EQUITY AND LIABILITIES	98,745	97,291
B ASSETS		
1 Non- current assets		
(a) Fixed Assets	17,323	16,764
(b) Non current investments	80	80
(c) Long term loans and advances	20,353	19,568
(d) Other non-current assets	2	2
Sub-total - Non- current assets	37,758	36,414
2 Current Assets		
(a) Current investments	28,458	20,716
(b) Inventories	3,236	10,845
(c) Trade receivables	2,943	888
(d) Cash and bank balances	25,208	25,156
(e) Short-term loans and advances	639	2,233
(f) Other current assets	503	1,039
Sub-total - current assets	60,987	60,877
TOTAL	98,745	97,291

Notes :

- (1) The above results have been noted in the Audit committee and approved at the meeting of the Board of Directors held on 25 April, 2016.
- (2) Consolidated results comprise consolidation of the financial the financial results of TATA SPONGE IRON LIMITED and its wholly owned subsidiary TSIL ENERGY LIMITED referred to as the Group.
- (3) The Group has identified business segment as the primary segment which have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of sponge iron and generation of power. Further, as the Company's products are sold primarily in India there is no reportable secondary segment i.e. Geographical Segment.



TATA SPONGE IRON LIMITED

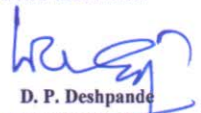
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Dist- Keonjhar, Orissa, Pin Code 758 034

CIN : L27102OR1982PLC001091

- (4) (a) In the month of November 2012, Ministry of Coal ("MoC") issued notices to the Company for invocation of bank guarantee of Rs. 3,250 lacs submitted towards performance of conditions for allocation of coal block against which the Company had filed a writ petition in the Hon'ble High Court of Delhi, which directed the Company to keep the bank guarantee valid till 30 November, 2015 by which date the MoC was directed to take decision. Meanwhile, the bank guarantee expired and had not been renewed, since no communication had been received from MoC. Subsequently, MoC issued a notice dated 28 December, 2015, stating that the bank guarantee be invoked and the aforesaid amount be deposited. Consequent to MoC's notice, the Company has moved to the Hon'ble High Court of Delhi, where the matter is pending adjudication. The Company has been advised and has obtained a legal opinion that as the original allocation has been declared illegal and cancelled by the Hon'ble Supreme Court, the bank guarantee pertaining to such allocation (which is non-est and void ab initio) shall consequently be deemed to be invalid and void ab initio. Pending finalisation of the matter, the amount continues to be disclosed as a contingent liability.
- (b) During pendency of the aforesaid matters in Hon'ble High Court of Delhi, the Hon'ble Supreme Court of India vide its order dated 24 September, 2014 has cancelled allocation of 214 coal blocks including the Radhikapur (East) Coal Block which was allotted to the Company on 7 February, 2006. The carrying value of investments made in Radhikapur (East) Coal Block as on 31 March, 2016 aggregates to Rs. 18,040.96 lacs (March 31, 2015: 18,074.18 lacs).
- (i) Pursuant to the judgment of Hon'ble Supreme Court of India, the Government of India has promulgated Coal Mines (Special Provision) Rules, 2014 ("Rules") for allocation of the coal mines through auction and matters related thereto. In terms of the said Rules, the successful bidder will be called upon to pay to the prior allocatee the expenses incurred by the prior allocatee towards land and mine infrastructure. Pursuant to MoC's directive seeking the details of expenses vide letter dated 26 December, 2014, the Company has furnished the required statement of expenses on 5 January, 2015. Based on the Rules and necessary legal opinion obtained by the Company, no provision is considered necessary.
- (5) The figures for the quarters have not been reviewed or audited.
- (6) The Board of Directors has recommended a dividend of Rs. 10/- per equity (100%) share for the year ended 31 March, 2016. The cash outflow on account of dividend will be Rs. 1,540.00 lacs and for tax on distributed profit including Education Cess will be Rs. 313.51 lacs.
- (7) Other expenses includes Rs.1,005 lacs on account of demand by Government of Odisha towards Water Conservation Fund.
- (8) Figures for the previous period/year have been regrouped and reclassified to conform to the classification of current period, where necessary.

For and on behalf of the Board of Directors


D. P. Deshpande
Managing Director

Kolkata, 25 April, 2016