

एनएमडीसी



NMDC

# एन एम डी सी लिमिटेड NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.  
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.  
नैगम पहचान संख्या / Corporate Identity Number : L13100AP1958 GOI 001674

No. 18(1)/2008- Sectt

13<sup>th</sup> February 2017

1) <b>The BSE Limited</b> <b>Phiroze Jeejeebhoy Towers,</b> <b>Dalal Street, Mumbai- 400001</b>	2) <b>National Stock Exchange of India Ltd.,</b> <b>Exchange Plaza, C-1, Block G,</b> <b>Bandra Kurla Complex,</b> <b>Bandra (E), Mumbai – 400 051</b>
3) <b>The Calcutta Stock Exchange</b> <b>Limited, 7, Lyons Range,</b> <b>Kolkata - 700001</b>	

Dear Sir / Madam,

**Sub: Unaudited Financial Results and Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December 2016**

**Ref: Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Security ID: NMDC**

The Board of Directors of the Company at its meeting held on Monday the 13<sup>th</sup> February 2017 inter-alia, considered and approved the Unaudited Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December 2016 along with segment information.

A copy of the following are enclosed pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Unaudited Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December 2016 along with segment information duly signed by Director (Finance), NMDC Limited.
2. Limited Review Report of the Statutory Auditor on the Unaudited Financial Results of the Company for the period ended 31<sup>st</sup> December 2016.

Please take the above information on record.

Thanking you

Yours faithfully,  
For NMDC Limited

  
**A S Pardha Saradhi**  
Company Secretary



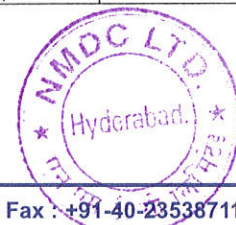
Encl: As above



CIN L13100AP1958 GOI 001674

**STATEMENT OF UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER AND NINE MONTHS ENDED 31/12/2016 - (Ind-AS compliant)**

Particulars	Rupees in crore				
	Quarter Ended			Nine Months Ended	
	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>1. Income from operations</b>					
(a) Sales/Income from Operations	2,497.86	1,739.15	1,517.48	5,957.66	4,925.35
(b) Other Operating Income	-	-	0.15	-	1.77
Total Income from Operations	<b>2,497.86</b>	<b>1,739.15</b>	<b>1,517.63</b>	<b>5,957.66</b>	<b>4,927.12</b>
<b>2. Expenses</b>					
(a) Consumption of raw materials	1.40	2.12	2.80	6.62	5.86
(b) Consumption of Stores & Spares	82.00	57.07	85.31	184.72	191.18
(c) Changes in inventories of finished goods and work -in- progress	35.87	107.41	30.18	178.99	49.18
(d) Employee Benefit expense	174.96	168.80	171.88	513.62	511.72
(e) Royalty and Other Levies	494.79	171.41	242.81	984.36	729.89
(f) Selling Exps incl. Freight out	167.04	127.08	148.99	444.01	184.29
(g) Depreciation and Amortisation	55.11	54.43	56.32	165.51	150.38
(h) Other Expenses	515.16	279.42	509.98	976.43	923.43
Total expenses	<b>1,526.33</b>	<b>967.74</b>	<b>1,248.27</b>	<b>3,454.26</b>	<b>2,745.93</b>
3. Profit from operations before Other Income, finance cost & exceptional items (1-2) :	971.53	771.41	269.36	2,503.40	2,181.19
4. Other Income	155.88	273.49	430.28	774.54	1,365.01
5. Profit from ordinary activities before finance costs and exceptional items (3+4) :	1,127.41	1,044.90	699.64	3,277.94	3,546.20
6. Finance cost	5.30	1.47	(0.41)	14.91	0.11
7. Profit from ordinary activities after finance costs but before exceptional items (5-6) :	1,122.11	1,043.43	700.05	3,263.03	3,546.09
8. Exceptional Items	201.30	-	2.25	201.30	17.61
<b>9. Profit from ordinary activities before Tax (7-8)</b>	<b>920.81</b>	<b>1,043.43</b>	<b>697.80</b>	<b>3,061.73</b>	<b>3,528.48</b>
10. Tax expense	325.65	272.67	276.70	984.47	1,275.34
11. Net Profit from ordinary activities after tax (9 -10)	595.16	770.76	421.10	2,077.26	2,253.14
12. Extraordinary Items (net of tax expense)	-	-	-	-	-
<b>13. Net Profit for the period (11-12) :</b>	<b>595.16</b>	<b>770.76</b>	<b>421.10</b>	<b>2,077.26</b>	<b>2,253.14</b>
14. Other Comprehensive Income/(Expenses) (net of Income Tax)	(6.31)	(6.30)	(5.07)	(19.62)	(15.80)
<b>15. Total Comprehensive Income (13+14)</b>	<b>588.85</b>	<b>764.46</b>	<b>416.03</b>	<b>2,057.64</b>	<b>2,237.34</b>
16. Paid-up Equity Share Capital :	316.39	396.47	396.47	316.39	396.47
17. Face value per share ( Re)	1.00	1.00	1.00	1.00	1.00
18. EPS for the period (Rs.)-Basic and Diluted before and after extraordinary items	1.84	1.94	1.06	5.58	5.68
	(Not Annualised)				



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Segment wise Revenue, Results and Capital Employed for the Quarter and Nine Months ended 31/12/2016 (Ind-AS compliant)

Particulars	Rupees in crore				
	Quarter Ended			Nine Months Ended	
	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15
(I)	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
(II)	(III)	(IV)	(V)	(VI)	
<b>1. Segment Revenue</b>					
(net sale /income from each segment)					
a) Iron Ore	2,469.14	1,706.42	1,485.96	5,877.62	4,843.62
b) Other Minerals & Services	28.72	32.73	31.67	80.04	83.50
<b>Total</b>	<b>2,497.86</b>	<b>1,739.15</b>	<b>1,517.63</b>	<b>5,957.66</b>	<b>4,927.12</b>
Less: Inter segment revenue	-	-	-	-	-
<b>Net Sales / Income from Operations</b>	<b>2,497.86</b>	<b>1,739.15</b>	<b>1,517.63</b>	<b>5,957.66</b>	<b>4,927.12</b>
<b>2. Segment Results</b>					
(profit (+) / loss (-) before tax and interest from each segment)					
a) Iron Ore	892.30	749.75	653.60	2,510.43	2,677.51
b) Other Minerals & Services	(13.96)	(2.50)	(6.30)	(22.68)	(11.26)
<b>Total</b>	<b>878.34</b>	<b>747.25</b>	<b>647.30</b>	<b>2,487.75</b>	<b>2,666.25</b>
Less: Finance Cost	5.30	1.47	(0.41)	14.91	0.11
Add : Other unallocable income net off unallocable expenditure	47.77	297.65	50.09	588.89	862.34
<b>Total Profit Before Tax (incl discontinued operations)</b>	<b>920.81</b>	<b>1,043.43</b>	<b>697.80</b>	<b>3,061.73</b>	<b>3,528.48</b>
<b>3. Segment assets</b>					
a) Iron Ore	4,891.98	5,538.04	4,523.82	4,891.98	4,523.82
b) Other Minerals & Services	144.07	147.76	180.53	144.07	180.53
c) Unallocated	20,620.12	27,958.82	31,024.78	20,620.12	31,024.78
<b>Total</b>	<b>25,656.17</b>	<b>33,644.62</b>	<b>35,729.13</b>	<b>25,656.17</b>	<b>35,729.13</b>
<b>4. Segment Liabilities</b>					
a) Iron Ore	1,355.19	1,220.98	1,020.52	1,355.19	1,020.52
b) Other Minerals & Services	16.81	16.06	16.71	16.81	16.71
c) Unallocated	1,065.01	8,316.09	952.40	1,065.01	952.40
<b>Total</b>	<b>2,437.01</b>	<b>9,553.13</b>	<b>1,989.63</b>	<b>2,437.01</b>	<b>1,989.63</b>
<b>5. Capital Employed</b>					
(Segment assets-Segment Liabilities)					
a) Iron Ore	3,536.79	4,317.06	3,503.30	3,536.79	3,503.30
b) Other Minerals & Services	127.26	131.70	163.82	127.26	163.82
c) Unallocated	19,555.11	19,642.73	30,072.38	19,555.11	30,072.38
<b>Total</b>	<b>23,219.16</b>	<b>24,091.49</b>	<b>33,739.50</b>	<b>23,219.16</b>	<b>33,739.50</b>



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**NOTES :**

1. The Company opts to publish the financial results on Standalone basis.
2. The company adopted Indian Accounting Standards ("Ind-AS") from April, 2016 and accordingly these financial results have been prepared as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
3. As permitted by SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016, the company has opted to submit the results for the nine months and quarters ended 31<sup>st</sup> December 2016 and 31<sup>st</sup> December 2015 only, under Ind-AS.
4. The previous published figures of quarter ended 30<sup>th</sup> September 2016 have been retained as they were.
5. The unaudited financial results of the company for the quarter ended 31<sup>st</sup> December 2016 duly reviewed by the Audit Committee have been approved by the Board of Directors at its meetings held on 13<sup>th</sup> February 2017.
6. Board of Directors of the company in its meeting held on 7<sup>th</sup> June 2016 approved buyback of 80,08,25,526 equity shares @ Rs 94/- for an aggregate consideration of Rs.7,527.76 crore. The buyback offer of shares has been closed on 30<sup>th</sup> September 2016 and the process for buyback has been completed on 10<sup>th</sup> October 2016. Consequently, the Equity Share Capital stands reduced to Rs.316.39 crore from Rs. 396.47 crore. Accordingly, the earnings per share (EPS) have been adjusted on account of buyback.
7. The Central Government vide their circular dated 13<sup>th</sup> April 2016 ( SI no-9) clarified the applicability of service tax payable on Royalty w.e.f 01.04.2016. The Company has contended before the Hon'ble High Court of Karnataka and Hon'ble High Court of Jabalpur and stay has been granted from both the Hon'ble High Courts. However, based on the expert opinion, the company has provided for the liability of Rs.107.88 crore up to the quarter ended 31<sup>st</sup> December 2016 and included in other expenses.
8. Existing liability towards mines closure obligation under MMDR Act, 1957 was reviewed and an additional liability of Rs. 213.11 crore has been provided during the current quarter. Out of which Rs. 201.30 crore has been included in exceptional item and balance in other expenses.
9. The company has entered MoU with Ministry of Railways for doubling of railway line owned by railways between Kirandul and Jagdalpur which is required for augmentation of evacuation capacity of Bailadila sector. An amount of Rs. 77.81 crore incurred up to period of review has been charged during the current period and included in other expenses. The impact in respect of amount pertaining to previous periods has been considered through retained earnings on transition date and the subsequent periods.
10. An amount of Rs. 198.43 crore pertaining to period up to review towards expected Credit Loss (ECL) on the total Trade Receivables of Rs. 2,560.02 crore has been provided for during the current period and included in other expenses. The impact in respect of amount pertaining to previous periods has been considered through retained earnings on transition date and the subsequent periods.





11. The financial results have been reviewed by the Statutory Auditors as required under regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 .
12. The reconciliation of the net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind-AS for the corresponding quarter/period ending 31<sup>st</sup> December 2015 are as given below.

Rs. in crore

Particulars	Three months ended on 31.12.2015	Nine Months ended on 31.12.2015
<b>Net Profit (after tax) as per Indian GAAP</b>	<b>655.04</b>	<b>2,475.40</b>
<b>Add/(Less)</b>		
Actuary Gain/Loss on employee defined benefit funds recognised in other comprehensive income.	7.76	24.17
Effect of measuring financial instruments at fair value.	(0.11)	0.58
Effect of provision on Trade receivables	(220.57)	(220.57)
Effect on Depreciation and Consumption of spare parts	(0.91)	(1.92)
Other Expenses	(99.11)	(98.60)
Change in Deferred Tax On accounts of the Above	79.00	74.08
<b>Net Profit (after tax) as per Ind -AS</b>	<b>421.10</b>	<b>2,253.14</b>
Actuary Gain/(Loss) on employee defined benefit funds recognised in other comprehensive income (net of taxes)	(5.07)	(15.80)
<b>Total Comprehensive Income</b>	<b>416.03</b>	<b>2,237.34</b>

13. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s. TEJ RAJ & PAL  
Chartered Accountants  
FRN No.304124E

(CA P Venugopala Rao)  
Partner  
Membership No: 10905

Place : Hyderabad  
Date : 13<sup>th</sup> February 2017



For NMDC Limited

(Devinder Singh Ahluwalia)  
Director (Finance)  
DIN: 02164448





# TEJ RAJ & PAL

CHARTERED ACCOUNTANTS

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To  
The Board of Directors,  
NMDC Ltd.  
Hyderabad.

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS TO THE BOARD OF DIRECTORS OF NMDC LIMITED.

We have reviewed the accompanying statement of Unaudited financial results of **NMDC Ltd.** (" **the Company**") for the quarter ended **31<sup>st</sup> Dec, 2016 ( the statement)**, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by circular no CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016, which are incorporated in the accounts of Seven Projects/Units reviewed by Branch auditors and in respect of Head Office, R&D lab and Sponge Iron Unit, these accounts were reviewed by us except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), Interim Financial Reporting prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

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

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results read with notes there on, prepared in accordance with the Indian Accounting Standards as specified under Section 133 of Companies Act 2013 read with the rule 7 of the Companies (Accounts) Rule, 2014 and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s Tej Raj & Pal,  
Chartered Accountants

Firm Regn No: 304124E



(CA P Venugopala Rao)  
Partner

Membership No. 10905

Place: New Delhi

Date: 13<sup>th</sup> February 2017