

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF Mahuagarhi Coal Company Private Limited****Report on the Ind AS Financial Statements**

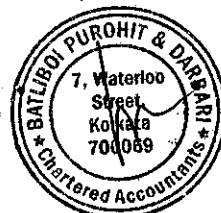
1. We have audited the accompanying Ind AS financial statements of **Mahuagarhi Coal Company Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate



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in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2018, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the 'Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 the operating effectiveness of such controls, refer to our separate Report in Annexure - B.



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To the Members of Mahuagarhi Coal Company Private Limited
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- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March, 31, 2018.



Kolkata
Dated: May 18, 2018

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E

A handwritten signature in black ink, appearing to read "Hemal Mehta".

(CA Hemal Mehta)
Partner
Membership Number 063404

Annexure - A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Mahuagarhi Coal Company Private Limited on the Ind AS financial statements for the year ended March, 31, 2018

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- i. In view of Cancellation of Mahuagarhi Coal Block by the Hon'ble Supreme Court of India, total expenditure incurred by the Company towards development of the Mahuagarhi coal block till 31st March, 2015 had been written off in the accounts for the year 2014-15 and its future structuring is being worked out. Hence clause 3(i) of the said Order is not applicable to the Company as there are no assets for physical verification.
- ii. The Company has no inventory and thus the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause (iii)(a) to (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder are not applicable.
- vi. As the Company has not yet commenced operation, provisions under Section 148(1) of the Act in regard to the maintenance of cost records, in our opinion, is not applicable.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, service tax, goods and services tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, goods and services tax, duty of customs, value added tax or cess which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



Annexure - A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Mahuagarhi Coal Company Private Limited on the Ind AS financial statements for the year ended March, 31, 2018


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- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.



Kolkata
Dated: May 18, 2018

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E


(CA Hemal Mehta)
Partner

Membership Number 063404

Annexure - B to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Mahuagarhi Coal Company Private Limited on the Ind AS financial statements for the year ended March 31, 2018
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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Mahuagarhi Coal Company Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. 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

6. 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 Ind AS 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



Annexure - B to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Mahuagarhi Coal Company Private Limited on the Ind AS financial statements for the year ended March 31, 2018

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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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. 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, 2018, 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.



Kolkata
Dated: May 18, 2018

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E

(CA Hemal Mehta).
Partner
Membership Number 063404

Mahuagarhi Coal Company Private Limited

CIN: U10100JH2008PTC013086

Telephone: +91 33 6634 0684

E-mail: secretarial@rp-sg.in

Registered Office: Vidyakamal Niketan (Ground Floor), B/324, Road No 4, Ashok Nagar, Ranchi, Jharkhand-834002

Balance Sheet as at March 31, 2018

₹ in Lakhs

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
1) Non-current assets		-	-
Total non-current assets		-	-
2) Current assets			
a Financial assets			
i. Cash and cash equivalents	2	0.99	1.08
Total current assets		0.99	1.08
Total assets		0.99	1.08
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	3	485.96	485.96
b. Other equity	4	(671.46)	(671.24)
Total Equity		(185.50)	(185.28)
Liabilities			
1) Non-current liabilities		-	-
Total non-current liabilities		-	-
2) Current liabilities			
a. Financial liabilities			
i. Other financial liabilities	5	186.49	186.32
b. Other current liabilities	6	-	0.04
Total current liabilities		186.49	186.36
Total liabilities		186.49	186.36
Total equity and liabilities		0.99	1.08

Notes 1 - 16 form an integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants

CA Hemal Mehta
Partner
Membership No.: 063404
Place: Kolkata
Date: May 18, 2018



For and on behalf of the Board of Directors

Vinod Kumar Director
Abhijeet Jayashwal Director

Mahuagarhi Coal Company Private Limited

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Statement of Profit and Loss for the year ended March 31, 2018

Sl No.	Particulars	Notes	₹ in Lakhs	
			2017-18	2016-17
I	Revenue from operations		-	-
II	Other income		-	-
III	Total Income (I)+(II)		-	-
IV	Expenses			
	Other expenses	7	0.22	0.58
	Total expenses		0.22	0.58
V	Profit/(Loss) before exceptional items and tax (III-IV)		(0.22)	(0.58)
VI	Exceptional items		-	-
VII	Profit/(Loss) before tax		(0.22)	(0.58)
VIII	Income tax expense			
	- Current tax		-	-
	- Deferred tax		-	-
	Total tax expense		-	-
IX	Profit/(Loss) for the year		(0.22)	(0.58)
X	Other Comprehensive income			
A	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive income for the year, net of tax		-	-
XI	Total comprehensive income for the year		(0.22)	(0.58)
	Earning per equity share for profit/(loss) from continuing operations	8	INR	INR
	Basic earnings per share		(0.00)	(0.01)
	Diluted earnings per share		(0.00)	(0.01)

Notes 1 - 16 form an integral part of the financial statements

This is the Statement Profit and Loss referred to in our Report of even date.

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants

CA Hemal Mehta
Partner
Membership No.: 063404
Place: Kolkata
Date: May 18, 2018



For and on behalf of the Board of Directors

Vinod Kumar Director
Abhijeet Jaiswal Director

Mahuagarhi Coal Company Private Limited

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Statement of Cash flow for the year ended March 31, 2018

₹ in Lakhs

Particulars	2017-18	2016-17
A. Cash flow from Operating Activities		
Profit before Exceptional Items and Taxation	(0.22)	(0.58)
Operating Profit before Working Capital changes	(0.22)	(0.58)
Adjustments for :		
Increase/(Decrease) in Other Financial Liabilities	0.17	(0.80)
Increase/(Decrease) in Other current Liabilities	(0.04)	0.00
Cash Generated from Operations	(0.09)	(1.38)
Income Tax Paid		
Net cash flow from Operating Activities	(0.09)	(1.38)
B. Cash flow from Investing Activities		
Net cash used in Investing Activities	-	-
C. Cash flow from Financing Activities		
Net Cash flow from Financing Activities	-	-
Net Increase / (Decrease) in cash and cash equivalents	(0.09)	(1.38)
Cash and Cash equivalents - Opening Balance	1.08	2.46
Cash and cash equivalents on acquisition of subsidiaries	-	-
Cash and Cash equivalents - Closing Balance	0.99	1.08

This is the Statement of Cash Flow referred to in our Report of even date.

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants

CA Hema Mehta
Partner
Membership No.: 063404
Place: Kolkata
Date: May 18, 2018



For and on behalf of the Board of Directors

Vinod Kumar Director
Abhijeet Jaiswal Director

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Statement of changes in equity for the year ended March 31, 2018**Equity Share Capital**

₹ in Lakhs

For financial year ended March 31, 2018

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares	485.96	-	485.96

Equity Share Capital**For financial year ended March 31, 2017**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares	485.96	-	485.96

Other Equity**For financial year ended March 31, 2018**

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	(671.24)	(671.24)
Total Comprehensive Income for the year	(0.22)	(0.22)
Balance at the end of the reporting period	(671.46)	(671.46)

Other Equity**For financial year ended March 31, 2017**

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	(670.66)	(670.66)
Total Comprehensive Income for the year	(0.58)	(0.58)
Balance at the end of the reporting period	(671.24)	(671.24)

This is the Statement of Changes in Equity referred to in our Report of even date

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants

CA Hemal Mehta
Partner
Membership No.: 063404
Place: Kolkata
Date: May 18, 2018

For and on behalf of the Board of Directors

Vinod Kumar
Director

Ashijet Jayaram
Director

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Notes forming part of Financial Statements

Note 1: Significant Accounting Policies:

i) Accounting Convention

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 ("Act") and other provisions of the Companies Act, 2013.

ii) Basis of Accounting

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis except for the following:

- certain financial assets and liabilities measured at fair value

iii) Accounting estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

iv) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash in banks.

v) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of obligation can be estimated reliably.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

vi) Expenditure during construction

Capital expenditure incurred in a year is capitalized together with incurred expenses on the date such assets are put to use.

Indirect expenses, which are not directly related to the asset, are charged off to the Statement of Profit and Loss.



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Notes forming part of Financial Statements

vii) Taxes on Income

Income tax expense comprises current and deferred tax. Current tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

viii) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the entity. The estimates are based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

ix) Financial Instruments

A. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

B. Subsequent measurement

i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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Notes forming part of Financial Statements

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in the fair value are recognized in other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

C. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of the financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

D. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, subject to future adjustments.

For all other financial instruments the carrying amounts approximates fair value due to the short maturity of those instruments.



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Registered Office: Vidyakamal Niketan (Ground Floor), B/324, Road No 4, Ashok Nagar, Ranchi, Jharkhand-834002

Notes forming part of Financial Statements

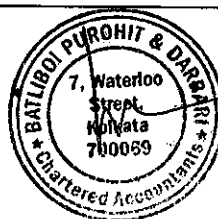
Current assets

Financial assets

₹ in Lakhs

2. Cash and cash equivalents

Particulars	As at March 31,2018	As at March 31,2017
Balances with banks		
- In current accounts	0.99	1.08
Total	0.99	1.08



Notes forming part of Financial Statements

3. Equity share capital

Particulars	₹ In Lakhs	
	As at March 31, 2018	As at March 31, 2017
Authorised 1,00,00,000 Equity Shares of Rs 10/- each	1,000	1,000
Issued, subscribed and paid-up capital 48,59,600 Equity Shares of Rs 10/- each fully paid.	485.96	485.96
Total	485.96	485.96

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the period	48,59,600	485.96	48,59,600	485.96
Add:	-	-	-	-
Less:	-	-	-	-
Number of shares outstanding at the end of the period	48,59,600	485.96	48,59,600	485.96

c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The company has not declared any dividend to its shareholders since inception. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of all the preferential amounts. The distribution shall be in proportion to the number of equity shares held by the shareholders.

d) The shares are held by Joint Venture Partners

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	%	Number of shares	%
Jas Infrastructure and Power Limited	24,29,800	50	24,29,800	50
CESC Limited	24,29,800	50	24,29,800	50

e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	%	Number of shares	%
Jas Infrastructure and Power Limited	24,29,800	50	24,29,800	50
CESC Limited	24,29,800	50	24,29,800	50

f) In the period of five years immediately preceding 31 March 2018, the Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash.

g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

4. Other equity

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	%	Number of shares	%
a) Retained earnings Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.			(671.46)	(671.24)
b) Other items of other comprehensive income Other items of other comprehensive income consists of re-measurement of net defined benefit liability/asset (actuarial gains and losses)				
Total			(671.46)	(671.24)

a) Retained earnings

Particulars	As at March 31, 2018	As at March 31, 2017
	Opening balance	(671.24)
Net profit/(loss) for the period	(0.22)	(0.58)
Appropriations during the year	-	-
Closing balance	(671.46)	(671.24)

5. Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
	Audit Fee Payable	0.54
Other liabilities	185.95	185.95
Total	186.49	186.32

6. Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
	Liability for income tax / TDS/ sales tax / wealth tax etc	-
Total	-	0.04

There are no dues to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 based on available information.



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Notes forming part of Financial Statements

₹ in Lakhs

7. Other expenses

Particulars	2017-18	2016-17
Remuneration to auditors		
- Statutory audit	0.17	0.40
Bank charges	0.05	0.14
Miscellaneous expenses	-	0.04
Total	0.22	0.58

8. Earnings per share (EPS)

Particulars	2017-18	2016-17
Face value of equity shares (₹)	10	10
Weighted average number of equity shares outstanding (Nos.)	48,59,600	48,59,600
Profit/ (loss) for the year (continuing operations)	(0.22)	(0.58)
Weighted average earnings per share (basic and diluted) (₹)	(0.00)	(0.01)



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Notes forming part of Financial Statements**Note 9**

Mahuagarhi non-coking coal block in the State of Jharkhand was allotted by the Ministry of Coal, Govt. Of India jointly in favour of CESC Limited and Jas Infrastructure Capital Private Limited (Now Jas Infrastructure and Power Limited) for meeting their proportionate share of requirement of coal, that is equally. Mahuagarhi Coal Company Private Limited was incorporated as a joint venture Company with equal participation in the share capital of the Company by Jas Infrastructure and Power Limited and CESC Limited for the development of Mahuagarhi Coal Field and exploration of coal there from and is yet to commence commercial operation.

Note 10

Pursuant to the judgment dated 25th August, 2014 of the Hon'ble Supreme Court of India read with its Order dated 24th September, 2014, the allotment of 204 coal blocks including Mahuagarhi Coal Block that was being developed by the Company has been cancelled on the ground that the process of allotment of these coal blocks by the Coal Ministry of the Government of India was arbitrary and illegal. Consequently, total expenditure amounting to Rs. 634.32 Lakhs incurred by the Company towards development of the Mahuagarhi coal block till 31st March, 2015 was written off in the accounts for the year 2014-15 and share application money pending allotment as on 31-03-2015 amounting to Rs.160 Lakhs (31.03.2014 – Rs. 160 Lakhs) had been shown under financial liabilities – Others. As the Company was promoted for developing the said Mahuagarhi Coal Block and has no other business, its future structuring is being worked out.

Note 11

The Company is engaged in the business of development of Coal field and exploration of coal there from and does not operate in any other reportable segment.

Note 12**Related Party Disclosure****12.1: Related Parties and their Relationships**

Names of Related Parties	Nature of relationships
Jas Infrastructure and Power Limited	Venturer
CESC Limited	Venturer

12.2: Details of transactions between the Company and related parties and status of outstanding balances

Nature of Transaction	Venturer (Jas Infrastructure and Power Limited) Amount (₹ in Lakhs)		Venturer (CESC Limited) Amount (₹ in Lakhs)	
	31.03.18	31.03.17	31.03.18	31.03.17
Balance				
Debit:	-	-	-	-
Credit:	90.78	90.78	89.03	89.03



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Notes forming part of Financial Statements

Note 13

Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk, capital risk and market risk (including interest rate risk, price risk and currency risk). The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of the financial markets on the Company's financial performance. The Company do not use derivative financial instruments to hedge any risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

i) Credit risk

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Company resulting in financial loss to the Company. The Company has adopted the policy of dealing with customers with an appropriate credit history as a means of mitigating the credit risk exposures. The Company has no significant concentrations of credit risk and cash is placed with reliable financial institutions.

ii) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. Such liquidity risks are minimised by the amount of cash and bank balances of Rs. 0.99 Lakhs as at 31st March 2018. All financial liabilities of the Company are due within one year.

iii) Market risk

a) Interest rate risks

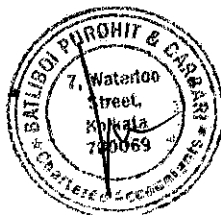
The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no interest bearing assets.

b) Price risk

The Company is not exposed to any equity securities and debt investments price risk or commodity price risk.

c) Currency risk

The Company has no foreign currency risk exposure.



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Notes forming part of Financial Statements

Note 14

Capital Management

a) Risk Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

b) Dividends

The Company has not declared or paid any dividends during the year. (Previous Year: NIL).

Note 15

Financial Instruments

Financial Instruments consists of cash and cash equivalents and other financial liabilities. The fair value of the same are close to its amortised cost due to its short term nature.

Other financial liabilities are categorized under level 3 in the fair value hierarchy.

Note 16

Previous year figures have been re-classified/regrouped wherever necessary.

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants



CA Hetal Mehta
Partner
Membership No.: 063404
Place: Kolkata
Date: May 18, 2018



For and on behalf of the Board of Directors



Director Director