



NANDY HALDER & GANGULI

CHARTERED ACCOUNTANTS

18 NETAJI SUBHAS ROAD. (TOP FLOOR)

KOLKATA- 700 001

OFFICE : 033 2230-0008, 2210-5018

Independent Auditor's Report E-mail nandyhalderganguli1973@gmail.com

To the Liquidator of Gujarat NRE Coke Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Gujarat NRE Coke Limited ('the Company'), undergoing liquidation under the Insolvency and Bankruptcy Code 2016, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The power of the Board of Directors of the Company is ceased in lieu of the ongoing Liquidation Process of the Company. Hence, the Company's Liquidator and its personnel are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that 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) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

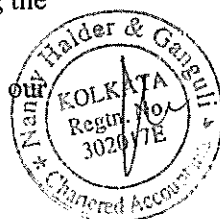
Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate 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 Liquidator and its personnel, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.



Basis of Qualified Opinion

The company has incurred a net loss during the quarter and the year ended 31st March 2018 and in the immediately preceding financial year ended 31st March 2017 and the liabilities of the company as on 31st March 2018 are more than its assets.

The insolvency resolution process of the Company commenced on 07.04.2017. With no resolution plan being approved during the said process, the Hon'ble NCLT Kolkata (NCLT) vide order dated 11.01.2018 appointed Mr. Sumit Binani, the Resolution Professional as the Liquidator and directed that in three months time the Liquidator should try to dispose of the Company a going concern and in case this does not go through, then the Company shall be liquidated in the manner laid down in the liquidation process regulations provided in the Insolvency and Bankruptcy Code. The Liquidator has tried to sell the Company as a going concern by way of inviting bids through appropriate news paper advertisement but did not receive any offer from any prospective acquirer to acquire the Company as a going concern within the stipulated time period of 3 months which elapsed on 10.04.2018. By the said order passed by NCLT, the Liquidator is now required to liquidate the company in terms of the applicable Liquidation Process Regulations.

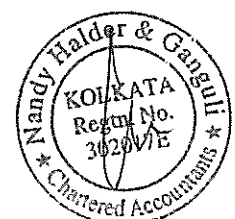
In the meantime, an appeal has been filed by Mr. Arun Kumar Jagatramka as a Promoter Shareholder under section 61 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Appellate Tribunal at Delhi (hereinafter referred to as "Hon'ble NCLAT") against the liquidation order dated 11.01.2018 passed by the NCLT. The matter was admitted on 15.02.2018 by the Hon'ble NCLAT. On 04.05.2018, the Hon'ble NCLAT has ordered that the liquidator shall not sell the assets of the Company nor confirm sale if already sold without prior permission of the Hon'ble NCLAT and shall continue with the liquidation process.

Further, Mr. Arun Kumar Jagatramka as aforesaid has also filed an application proposing a Composite Scheme of Compromise and Arrangement between the Company and its Creditors and Shareholders before the NCLT under the provisions of Sec 230 to 232 of the Companies Act, 2013. The NCLT, upon hearing the matter on 10.05.2018 has admitted the above referred application and vide its order dated 15.05.2018 has directed for calling meeting of each class of Creditors and Shareholders of the Company on 16th July, 2018 for the purpose of consideration of the said scheme. However, there is no stay in the process of liquidation of the Company.

This condition indicates the existence of a material uncertainty about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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 financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



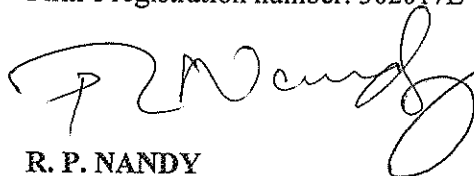
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. 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 flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) Since, the power of the Board of Directors of the Company is suspended/ceased, written representations are not required from the directors as on 31 March 2018 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"; and
 - (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 standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the standalone Ind AS financial statements;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **NANDY HALDER & GANGULI**

Chartered Accountants

Firm's registration number: 302017E



R. P. NANDY

Partner

Membership number: 51027



Kolkata

25th September 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

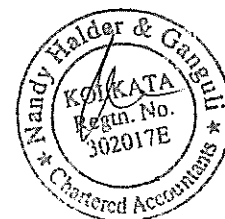
[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Gujarat NRE Coke Ltd. on the standalone Ind AS financial statements for the year ended 31 March 2018.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner during the year. No material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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.
- (ii) During the year inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. We were explained that the discrepancies noticed during the physical verification of inventories were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has not granted loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public hence this clause is not applicable.
- (vi) We have broadly reviewed the cost records maintained by the company as prescribed by the central government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not carried out a detailed examination of such records, nor are we required to do so, with a view to determine whether they are accurate or 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 has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Sales tax, duty of Excise, Value added tax, duty of Customs, Service tax, Goods and Service tax, Cess and other material statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Sales tax, duty of Excise, Value added tax, duty of Customs, Service tax, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable during the year except:

a. Income Tax Rs. 4.12 crores

b. VAT Rs. 0.10 Crores



(b) According to the information and explanations given to us, there were no dues of Income tax, Sales tax, Value added tax, duty of Customs, Service tax, Goods and Service tax, Cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:

(Rs. Crores)

Name of the statute	Nature of due	Amount (in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Regular Assessment	81.81	A.Y.- 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	CIT (Appeals) / ITAT
Finance Act, 1994 (Act 32 of 1994)	Service Tax	2.62	2005-09, 2006-07, 2009-10	CESTAT (UNCONDITIONAL STAY)
		0.23	2013-14	NCLT
		2.91	2013-14, 2014-15, 2014-17	CESTAT
		0.58	2015-16	JOINT COMMISSIONER
		2.97	2012-13, 2013-16, 2010-15, 2016-17	COMMISSIONER
The customs Act, 1962	Custom Duty	12.64	2008-09, 2009-10, 2010-11, 2014-15	CESTAT
The central Excise Act, 1994	Excise Duty	6.09	2008-09, 2009-10, 2011-12, 2011-14	CESTAT

(viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of loans and borrowings to financial institutions, banks and dues to debenture holders, the details of which are given below:

(Rs. In Crores)

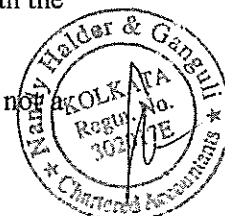
Particulars	Delays upto 30 days	31-90 days	91-180 days	Beyond 180 days	Total Amount
Bank Repayment Installments	5.11	33.18	38.29	783.06	849.64
Interest	28.21	56.42	84.63	603.88	773.14

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

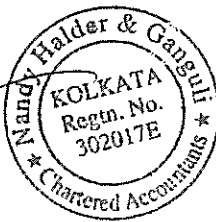


- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial 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 of the Company, the Company has not made any preferential allotment and private placement of shares during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or liquidator or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **NANDY HALDER & GANGULI**

Chartered Accountants

Firm's registration number: 302017E



R. P. NANDY

Partner

Membership number: 51027

Kolkata

25th September 2018

Annexure - B to the Auditors' Report

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 Gujarat NRE Coke Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS 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 standalone Ind AS 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 liquidator 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.

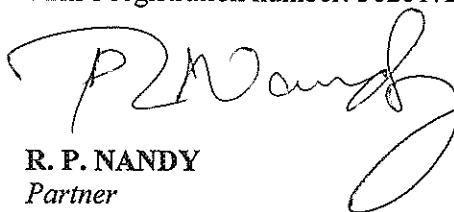
Opinion

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 31 March 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.

For **NANDY HALDER & GANGULI**

Chartered Accountants

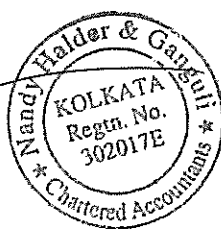
Firm's registration number: 302017E



R. P. NANDY

Partner

Membership number: 51027



Kolkata

25th September 2018

GUJARAT NRE COKE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018
 (Company undergoing Liquidation under the Insolvency and Bankruptcy Code, 2016)

(In Rupees)

	Notes	AS AT	
		31ST MARCH, 2018	31ST MARCH, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	8,58,28,14,435.30	9,14,62,74,041.21
Capital Work-in-Progress	3	2,33,52,51,390.28	2,33,37,67,032.77
Financial Assets			
Investment	4	14,24,19,97,008.45	14,31,05,03,508.35
Other Financial Assets	8	81,09,23,267.05	79,79,38,300.35
Deferred Tax Assets (net)	9	5,22,56,40,333.64	5,22,56,40,333.64
Other Non-Current Assets	10	6,07,09,27,428.60	6,07,40,03,572.49
Current Assets		37,26,75,53,863.32	37,88,81,26,788.81
Inventories	11	87,60,40,413.90	2,20,44,85,784.85
Financial Assets			
Trade Receivables	12	45,10,00,508.76	43,38,37,909.61
Cash & Cash equivalents	13	5,88,85,688.26	10,86,31,893.33
Other Financial Assets	14	1,21,43,79,233.50	85,19,33,911.08
		2,60,03,05,846.42	3,59,88,89,498.87
TOTAL ASSETS		39,86,78,59,709.74	41,48,70,16,287.68
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	16,57,03,66,550.00	16,57,03,66,550.00
Other Equity	15	(16,21,12,75,831.75)	(12,14,79,97,852.96)
		35,90,90,718.25	4,42,23,68,697.04
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	12,19,75,17,465.30	15,51,14,69,470.95
Provisions	17	13,43,14,627.25	15,20,28,732.25
		12,33,18,32,092.55	15,66,34,98,203.20
Current Liabilities			
Financial Liabilities			
Borrowings	18	11,28,54,20,412.50	11,18,58,18,621.50
Trade Payables	19	79,32,93,290.77	1,68,76,88,801.06
Other Financial Liabilities	20	15,07,08,80,794.67	8,49,98,15,537.88
Provisions	21	2,73,42,401.00	2,78,26,427.00
		27,17,69,36,898.94	21,40,11,49,387.44
TOTAL EQUITY AND LIABILITIES		39,86,78,59,709.74	41,48,70,16,287.68

Significant Accounting Policies & Notes on Financial Statements forming part of the financial statements

In terms of our report of even date annexed hereto

For **MANDY HALDER & GANGULI,**

Chartered Accountants
 (Firm Registration No. 302017E)

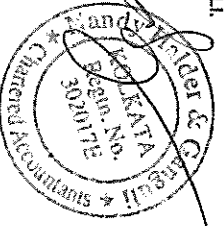
R P Nandy

Partner

Membership No. 051027

Place : Kolkata

Dated : 25th September 2018.



IBBI Registration No.: IBBI/PA-001/PA-N0000592016-2017/10025

Sumit Bharti
 Liquidator

Mukund Chandak
 Company Secretary

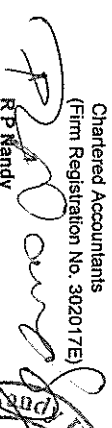
Nitin Daga
 Chief Financial Officer

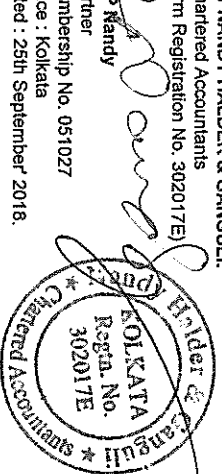
GUJARAT NRE COKE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018.
 (Company Undergoing Liquidation Under the Insolvency and Bankruptcy Code, 2016)


	NOTES	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
INCOME			
Revenue from Operations	22	5,74,11,04,300.54	5,41,21,48,279.72
Other Income	23	18,68,03,609.57	5,17,65,873.56
		<u>5,92,79,07,910.11</u>	<u>5,46,39,14,153.28</u>
EXPENDITURE			
Cost of Materials Consumed	24	4,37,92,49,588.70	4,56,75,02,456.08
Purchase of Stock-in-Trade		20,43,70,730.00	-
Changes in Inventories of Finished Goods, Stock-in-Process and Stock in Trade	25	42,39,05,671.00	1,32,91,85,344.87
Excise Duty	22	6,83,79,447.00	39,03,87,742.86
Employees Benefits Expenses	26	27,40,39,431.42	33,52,84,202.26
Finance Costs	27	3,43,37,16,186.85	3,93,89,00,577.34
Depreciation	3	57,18,93,459.87	59,81,28,621.16
Other Expenses	28	65,99,54,531.16	1,06,27,75,579.01
		<u>10,01,55,09,046.00</u>	<u>12,22,21,64,523.58</u>
Profit/(Loss) before Exceptional & Extraordinary Items & Tax		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
Exceptional Items		-	-
Profit/(Loss) before Extraordinary Items & Tax		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
Extraordinary Items		-	-
Profit/(Loss) Before Tax		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
Tax Expenses		-	-
Current Tax	9	-	-
Deferred Tax		-	-
Profit for the year		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
Other Comprehensive Income/(Loss) (net of Tax)		<u>(11,07,843.00)</u>	<u>(14,94,510.00)</u>
Items that will not be reclassified to profit or loss		-	-
- Actuarial Gain/(Loss)		-	-
- Equity Instruments through other comprehensive income		-	-
Income Tax relating to Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss)		<u>3,14,93,500.10</u>	<u>1,25,37,524.20</u>
Total Comprehensive Income/(Loss)		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
		<u>(4,08,76,01,135.89)</u>	<u>(6,75,82,50,370.30)</u>
Basic Earnings per Equity & "B" Equity Share (in Rs.) [Face Value Rs. 10 per shares]		<u>(2.47)</u>	<u>(4.09)</u>
Diluted Earnings per Equity & "B" Equity Share [Face Value Rs. 10 per shares]		<u>(2.47)</u>	<u>(4.09)</u>


Significant Accounting Policies & Notes on Financial Statements forming part of the financial statements


1 to 38

In terms of our report of even date annexed hereto
For NANDY HALDER & GANGULI,
 Chartered Accountants
 (Firm Registration No. 302017E)

R P Nandy
 Partner
 Membership No. 051027
 Place : Kolkata
 Dated : 25th September 2018.




Sumit Binani
 Liquidator


Mukund Chandak
 Company Secretary


Nriha Daga
 Chief Financial Officer

IBBI Registration No.: IBBI/PA-001/IP-N00005/2016-2017/10025

Gujarat NRE Coke Ltd

Cash Flow Statement for the year ended 31st March, 2018
(Company undergoing Liquidation under the Insolvency and Bankruptcy Code, 2016)

(In Rs.)

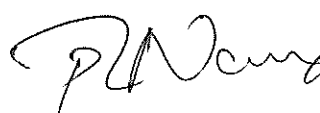
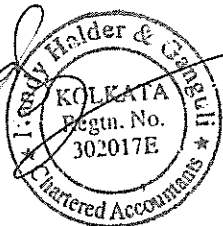
	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-2017
A Cash Flow from Operative Activities		
Net Profit /(Loss) before Tax	(4,08,76,01,135.89)	(6,75,82,50,370.30)
Adjustments for:		
Depreciation / Other non cash items	57,18,93,459.87	59,82,18,621.16
Finance Charges	3,43,37,16,186.85	3,93,89,00,577.34
Loss/(Profit) on Sale / Discard of Property, Plant and Equipment	(1,00,000.00)	4,20,037.63
Profit on Sale of Investment	(18,50,00,000.00)	-
Employee Stock Option - Compensation	(29,86,356.11)	23,51,428.86
Interest Received / Receivable	(3,79,556.52)	(63,51,018.00)
Operating Profit before working Capital Changes	(27,04,57,401.80)	(2,22,47,10,723.31)
Adjustments for:		
Trade & Other Receivables	(10,91,47,210.57)	74,94,45,342.81
Inventories	1,32,84,45,368.95	1,13,31,14,775.10
Trade Payables	(91,25,87,628.03)	(79,70,15,417.72)
Cash Generated/(Used) from Operations	3,62,53,128.55	(1,13,91,66,023.12)
Direct Taxes Paid / Refunds	(2,05,241.00)	(15,08,788.61)
CASH GENERATED/(USED) FROM OPERATING ACTIVITIES	3,60,47,887.55	(1,14,06,74,811.73)
B Cash Flow from Investing Activities		
Addition to Property, Plant and Equipment	(81,17,248.17)	(21,93,63,878.53)
Sale of Property, Plant and Equipment	58,600.00	4,24,210.99
Interest Received	3,79,556.52	63,51,018.00
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	(76,79,091.65)	(21,25,88,649.54)
C Cash Flow from financing activities		
Increase/(Decrease) in Long / Short term borrowing	9,85,51,801.00	2,05,58,31,872.12
Finance Charges Paid	(17,27,30,816.97)	(68,79,00,955.24)
Dividend & Dividend Tax Paid	(39,35,985.00)	(35,81,180.00)
NET CASH GENERATED/(USED) FROM FINANCING ACTIVITIES	(7,81,15,000.97)	1,36,43,49,736.88
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(4,97,46,205.07)	1,10,86,275.61
CASH & CASH EQUIVALENTS (OPENING BALANCE)	10,86,31,893.33	9,75,45,617.72
CASH & CASH EQUIVALENTS (CLOSING BALANCE)*	5,88,85,688.26	10,86,31,893.33

* Includes Dividend accounts of Rs. 0.40 crores(Previous Year 0.79 Crores)


Terms of our report of even date annexed hereto

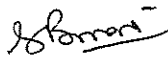

For NANDY HALDER & GANGULI.

Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 25th September


Mukund Chandak
Company Secretary


Sumit Binani
Liquidator
No.: IBBI/IPA-001/IP-N00005/2016-2017/10025

Nitin Daga
Chief Financial Officer

GUJARAT NRE COKE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018.
 (Company undergoing Liquidation under the Insolvency and Bankruptcy Code, 2016)

A EQUITY SHARE CAPITAL

	EQUITY SHARE		"B" EQUITY SHARE		TOTAL SHARE CAPITAL	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at 31st March, 2016	1,55,50,81,900	15,55,08,19,000.00	5,24,88,010	52,48,80,100.00	1,60,75,69,910	16,07,56,99,100.00
<i>Changes in Equity Share Capital</i>						
Preferential Shares issue to CICI Bank	2,44,66,745	24,46,67,450.00			2,44,66,745	24,46,67,450.00
Shares issued on Conversion of Share Warrant	2,50,00,000	25,00,00,000.00			2,50,00,000	25,00,00,000.00
As at 31st March, 2017	1,60,45,48,645	16,04,54,86,450.00	5,24,88,010	52,48,80,100.00	1,65,70,38,655	16,57,03,66,550.00
As at 31st March, 2017	1,60,45,48,645	16,04,54,86,450.00	5,24,88,010	52,48,80,100.00	1,65,70,38,655	16,57,03,66,550.00
<i>Changes in Equity Share Capital</i>						
As at 31st March, 2018	1,60,45,48,645	16,04,54,86,450.00	5,24,88,010	52,48,80,100.00	1,65,70,38,655	16,57,03,66,550.00

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption Reserves	Employees Stock Option Outstanding	Surplus from Statement of Profit & Loss	Total
Balance as at 1st April, 2016	2,51,25,48,630.00	1,50,67,65,211.37	5,64,30,71,913.73	1,96,57,49,654.49	3,76,15,714.29	(17,13,43,60,462.09)	(5,46,86,09,338.21)
Profit/(Loss) for the year						(6,75,82,50,370.30)	(6,75,82,50,370.30)
Other Comprehensive Income/(Loss) for the year						1,10,43,014.20	1,10,43,014.20
Securities premium Received During the Year			7,52,00,747.35			(23,88,15,67,818.19)	(12,21,58,16,694.31)
Adjustment for Employee stock option at fair value as Ind AS					12,30,484.00	7,52,00,747.35	12,30,484.00
Adjustment for Option Forfeited during the year					(86,12,390.00)	(86,12,390.00)	(86,12,390.00)
Balance as at 31st March, 2017	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	3,02,33,808.29	(23,88,15,67,818.19)	(12,14,79,97,852.96)
Balance as at 1st April, 2017	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	3,02,33,808.29	(23,88,15,67,818.19)	(12,14,79,97,852.96)
Profit/(Loss) for the year						(4,08,76,01,135.89)	(4,08,76,01,135.89)
Other Comprehensive Income/(Loss) for the year						3,03,85,657.10	3,03,85,657.10
Adjustment for Option Forfeited during the year						3,02,33,808.29	(27,93,87,83,296.98)
						(60,62,500.00)	(60,62,500.00)
Balance as at 31st March, 2018	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	2,41,71,308.29	(27,93,87,83,296.98)	(16,21,12,75,831.75)

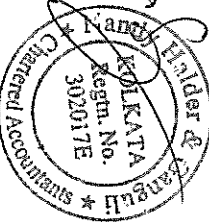
Significant Accounting Policies & Notes on Financial Statements forming part of the financial statements

1 to 38

In terms of our report of even date annexed hereto
For NANDY HALDER & GANGULI,

Chartered Accountants
 (Firm Registration No. 302017E)

R P Nandy
 Partner
 Membership No. 051027
 Place : Kolkata
 Dated : 25th September 2018.



IBBI Registration No.: IBBI/PA-01/JP-N00005/2016-2017/10025

Mukund Chandak
 Company Secretary

Mitin Daga
 Chief Financial Officer

Sumit Binani
 Liquidator

Mitin Daga
 Chief Financial Officer

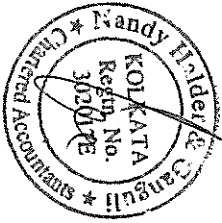
Note - 3 PROPERTY PLANT AND EQUIPMENT

	Land		Buildings	Plant & Machinery	Office Equipment	Furniture & Fixture	Material Handling Equipment / Vehicles	Electrical Installation	Windmill	Total
	Freehold	Leasehold								
Gross Carrying Amount										
Balance as at 31st March, 2017	1,03,91,98,078.44	2,71,19,450.00	2,16,85,94,290.04	6,35,81,57,621.31	2,67,82,537.09	3,38,75,589.30	24,34,92,621.85	28,45,00,053.16	4,88,09,83,159.22	15,06,27,03,391.40
Additions	-	-	-	79,34,782.96	4,22,671.00	35,000.00	-	-	-	83,92,453.96
Disposal	-	-	58,600.00	-	-	-	8,91,560.00	-	-	9,50,160.00
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	1,03,91,98,078.44	2,71,19,450.00	2,16,85,35,690.04	6,36,60,92,404.27	2,72,05,208.09	3,39,10,580.30	24,26,01,061.85	28,45,00,053.16	4,88,09,83,159.22	15,07,01,45,685.36
Accumulated Depreciation										
Balance as at 31st March, 2017	-	-	5,735,25,880.50	2,63,91,76,776.49	2,48,88,781.23	2,86,80,768.57	20,82,82,975.53	22,28,51,935.16	2,21,90,22,222.55	5,91,64,29,350.04
Additions	-	-	6,99,82,259.12	28,23,39,017.78	13,29,037.79	24,11,348.03	1,12,81,822.73	1,26,13,258.18	19,19,36,716.23	57,18,93,459.86
Disposal	-	-	-	-	-	-	9,91,560.00	-	-	9,91,560.00
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	-	-	64,35,08,149.61	2,92,15,15,794.27	2,62,17,819.02	3,10,92,116.60	21,85,73,258.27	23,54,65,193.35	2,41,09,58,938.78	6,48,73,31,249.90
Net Carrying Amount										
Balance as at 31st March, 2017	1,03,91,98,078.44	2,71,19,450.00	1,59,50,68,399.55	3,71,89,80,844.82	18,93,755.86	51,94,811.73	3,52,09,646.32	6,16,48,117.99	2,66,19,60,936.67	9,14,62,74,041.21
Balance as at 31st March, 2018	1,03,91,98,078.44	2,71,19,450.00	1,52,50,27,540.43	3,44,45,76,609.99	9,87,389.07	28,18,463.70	2,40,27,823.58	4,90,34,859.81	2,47,09,24,220.44	8,58,28,14,435.30

CAPITAL WORK IN PROGRESS

31st March, 2017
31st March, 2018

2,33,37,67,032.77
2,33,52,51,390.28



4 NON-CURRENT INVESTMENTS

DESCRIPTION	Face Value (Rs)	No. of Shares*	AS AT		(In Rupees)
			31ST MARCH 2018	31ST MARCH 2017	
Quoted (Equity)					
Indian					
Shah Alloys Ltd	10	9,69,769	7,33,67,567.38	7,33,67,567.38	
Sai Steel Ltd.	10	27,37,682	6,13,97,618.50	6,13,97,618.50	
Aggregate Book Value of Quoted Investments (Equity)			<u>13,47,65,185.88</u>	<u>13,47,65,185.88</u>	
Less: Provision for Diminution in Value of Investment			7,40,09,902.08	10,55,03,402.18	
Aggregate Market Value of Quoted Investments (Equity)			<u>6,07,55,283.80</u>	<u>2,92,61,783.70</u>	
Unquoted (Equity)					
Indian					
In Indian Subsidiaries					
Wholly owned					
Hunter Valley Coal Pvt. Ltd	1	2,51,15,850	2,48,27,39,000.00	2,48,27,39,000.00	
Manor Dealcom Pvt. Ltd	1	2,36,28,150	2,34,37,61,000.00	2,34,37,61,000.00	
Others					
Bharat NRE Coke Ltd	10	8,35,000.00	83,50,000.00	10,83,50,000.00	
Bulll Coke Ltd.	1	1,88,55,500	78,58,65,693.00	1,88,55,500	
Critical Mass Multilink Ltd	1	74,84,000	35,01,51,103.00	74,84,000	
Gaurav Vinimay Pvt. Ltd.	1	1,01,17,000	60,24,60,603.00	1,01,17,000	
Gujarat NRE Energy Resources Ltd.	1	89,32,500	42,94,52,934.00	89,32,500	
Madhur Coal Mining Pvt Ltd	1	96,97,800	35,60,60,989.00	96,97,800	
Maharidhi Vyapaar Pvt Ltd	1	1,26,48,000	1,10,44,39,569.00	1,26,48,000	
Newage Vinimay Pvt Ltd	1	81,32,500	44,30,34,861.00	81,32,500	
Russel Vale Traders Pvt Ltd	1	73,31,000	67,68,88,647.00	73,31,000	
Wonga Traders Pvt Ltd	1	1,16,83,000	88,92,20,244.95	1,16,83,000	
Others					
Gujarat NRE Ply Ltd	N.A.	10,62,68,690	3,70,88,17,080.70	10,62,68,690	
Aggregate Book Value of Unquoted Investments (Equity)			<u>3,70,88,17,080.70</u>	<u>3,70,88,17,080.70</u>	
Total Investment (At cost)			<u>14,18,12,41,724.65</u>	<u>14,28,12,41,724.65</u>	
Market value of Quoted Investments (Equity)			<u>14,24,19,97,008.45</u>	<u>14,31,05,03,508.35</u>	
* Investment in Indian company equity shares are fully paid up			<u>6,07,55,283.80</u>	<u>2,92,61,783.70</u>	
** Refer Note No.2.3(c & d) for mode of valuation					



The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Management of Company oversee the management of these financial risks. They identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

1) Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enter into any derivative instruments for trading or speculative purposes. The Company uses forward contracts to hedge its risks associated with foreign currencies relating to foreign currency liabilities.

Forward Contracts outstanding for hedging currency risks

	As at 31.03.2018	As at 31.03.2017
- Loans	-	-
- Payable	-	-
Foreign Currency Exposures that have not been hedged	2,33,53,06,781.18	2,33,53,06,781.18
- Loans including accrued interest	2,03,05,823.29	9,03,94,565.84
- Payable	2,89,89,67,355.52	2,89,89,67,355.52
- Receivable		

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Changes in USD Rate	Effect on profit after tax	Effect on Total Equity
+5%	Year 2017-18 2,71,28,343.00	Year 2017-18 2,71,28,343.00
-5%	Year 2016-17 2,36,25,908.00 Year 2017-18 (2,36,25,908.00)	Year 2016-17 2,36,25,908.00 Year 2017-18 (2,36,25,908.00)

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at 31st March, 2018, the carrying value of such equity instruments recognised at FVTOCI amounts to Rs. 6.08 crores (Previous year Rs 2.93 crores).

The Company is mainly exposed to change in market rates of its investments in equity investments recognised at FVTOCI. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below.

If the equity prices had been higher/lower by 10% from the market prices existing as at 31st March, 2018, Other Comprehensive Income for the year ended 31st March, 2018 would increase/decrease by Rs. 0.07 Crores (2016-17 Rs.0.11 crores) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2018. 10% represents management's assessment of reasonably possible change in equity prices.

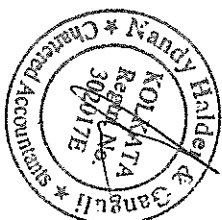
2) Credit Risk :

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.



2) Liquidity Risk : Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Maturity patterns of borrowings (Including current maturity of long)	As at 31st March 2018					As at 31st March 2017				
	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total		
7,89,63,77,981.39	10,90,49,13,543.37	87,80,06,566.26	19,67,92,98,091.02	4,11,90,38,299.97	14,68,00,69,215.89	88,12,40,566.16	19,68,03,48,081.02			
7,89,63,77,981.39	10,90,49,13,543.37	87,80,06,566.26	19,67,92,98,091.02	4,11,90,38,299.97	14,68,00,69,215.89	88,12,40,566.16	19,68,03,48,081.02			
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total					
As at 31st March 2017										
Trade Payable	1,68,76,88,801.06	-	-	-	1,68,76,88,801.06					
Payable related to Capital goods	8,75,40,594.54	-	-	-	8,75,40,594.54					
Other Financial liability (Current)	3,87,08,89,220.40	42,25,47,422.97	2,78,26,427.00	15,20,28,732.25	4,47,30,91,802.62					
	5,64,59,18,616.00	42,25,47,422.97	2,78,26,427.00	15,20,28,732.25	6,24,83,21,198.22					
As at 31st March 2018	79,32,93,290.77				79,32,93,290.77					
Trade Payable	8,34,70,862.50				8,34,70,862.50					
Payable related to Capital goods	6,66,72,36,924.51	42,37,95,026.27	2,73,42,401.00	13,43,14,627.25	7,25,26,88,979.03					
Other Financial liability (Current)	7,54,40,01,077.78	42,37,95,026.27	2,73,42,401.00	13,43,14,627.25	8,12,94,53,132.30					

7 CAPITAL RISK MANAGEMENT

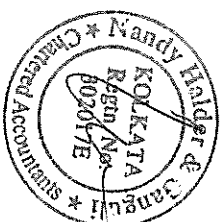
The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

8 OTHER NON-CURRENT FINANCIAL ASSETS

DESCRIPTION	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
(Unsecured/ Considered Good)		
Capital Advance	6,66,63,069.49	6,84,22,632.79
Deposits With Govt. Authorities & Others	3,87,28,110.94	2,39,97,639.94
Advance Tax (Incl. Tax Deducted at Source)	70,55,32,086.62	70,55,18,027.62
	81,09,23,267.05	79,79,38,300.35

9 NON-CURRENT DEFERRED TAX ASSETS (Net)

Income tax expense in the statement of profit and loss comprises:		
Current Tax		
Current Tax on Taxable Income for the year		
Deferred Tax		
Deferred Tax charge /(Credit)	-	-
MAT Credit (Taken)/Utilised	-	-
Tax in respect of earlier years	-	-
	Total deferred Income Tax Expense/(Benefit)	
	Total Income tax expense	



The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

DESCRIPTION	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Deferred Income Tax Assets		
<i>On Account of Deductible temporary differences</i>		
Provision for gratuity and leave encashment	1,77,38,420.27	1,77,38,420.27
Other Payables	53,55,90,485.25	53,55,90,485.25
Interest Accrued and due and not due	2,47,67,291.12	2,47,67,291.12
Unabsorbed Depreciation	27,12,22,952.24	27,12,22,952.24
Business Loss	6,85,27,19,172.75	6,85,27,19,172.75
Total Deferred Tax Assets:	7,70,20,38,321.63	7,70,20,38,321.63
Deferred Income Tax Liabilities		
<i>On Account of Taxable temporary differences</i>		
Property Plant and Equipment	2,01,98,93,707.29	2,01,98,93,707.29
Deferred Employee compensation	55,23,201.28	55,23,201.28
Non Current Investment	3,82,64,818.56	3,82,64,818.56
Long Term Borrowings	12,75,77,625.91	12,75,77,625.91
Deferred Income Tax Liabilities arises in Business Combination	28,51,38,634.94	28,51,38,634.94
Total Deferred tax Liabilities:	2,47,63,97,987.98	2,47,63,97,987.98
Net Deferred Tax Assets carried to Balance sheet:	5,22,56,40,333.64	5,22,56,40,333.64

Movement in Deferred Tax Assets and Liabilities

DESCRIPTION	Charge/(Credited)		Retained Earnings	At 31st March 2018
	At 1st April 2017	Other Comprehensive Income		
Provision for gratuity and leave encashment	1,77,38,420.27			1,77,38,420.27
Other Payables	53,55,90,485.25			53,55,90,485.25
Interest Accrued and due and not due	2,47,67,291.13			2,47,67,291.13
Unabsorbed Depreciation	27,12,22,952.24			27,12,22,952.24
Business Loss	6,85,27,19,172.75			6,85,27,19,172.75
Property Plant and Equipment	(2,01,98,93,707.29)			(2,01,98,93,707.29)
Deferred Employee compensation	(55,23,201.27)			(55,23,201.27)
Non Current Investment	(3,82,64,818.56)			(3,82,64,818.56)
Long Term Borrowings	(12,75,77,625.92)			(12,75,77,625.92)
Deferred Income Tax Liabilities arises in Business Combination	(28,51,38,634.94)			(28,51,38,634.94)
Total	5,22,56,40,333.66	-	-	5,22,56,40,333.66

10 OTHER NON-CURRENT ASSETS

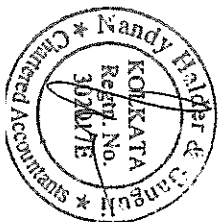
DESCRIPTION	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Other recoverable in cash or in kind or value to be received (Refer Note 34(D))	6,06,07,95,312.75	6,06,07,95,312.75

Unamortised Expenses: (To the extent not written off/adjusted)

- Deferred Employee Compensation Under ESOS	1,32,08,259.74	1,70,23,274.09
Balance B/F	4,30,512.25	(4,77,108.78)
Less - Adjusted for ESOS under Ind AS at Fair Value	60,62,500.00	14,63,585.49
Less - Amortised during the year (net)	(34,16,868.36)	28,28,537.64
	1,01,32,115.85	1,32,08,259.74

11 INVENTORIES

DESCRIPTION	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Stores, Spares & Consumables	5,01,72,142.90	6,04,14,257.85
Raw Materials	58,54,57,268.00	1,47,38,76,946.00
Work in Process	1,58,87,795.00	77,61,212.00
Finished Goods	22,45,23,210.00	66,24,33,369.00
	87,60,40,415.90	2,20,44,85,784.85



12 TRADE RECEIVABLE* (Unsecured considered good)

DESCRIPTION
Trade Receivable
Receivable from Related Party

AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
45,10,00,508.76	43,38,37,909.61
<u>45,10,00,508.76</u>	<u>43,38,37,909.61</u>

13 CASH & CASH EQUIVALENTS

DESCRIPTION
Cash in hand (as certified by the Management)
Balance with Scheduled Banks
- In Current Account
- In Current Account for Unclaimed Dividend
- In Term Deposits (including interest accrued)
Balance with Non Scheduled Banks
- In Current Account

AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
3,68,528.58	5,10,742.58
5,32,72,287.97	4,90,27,473.30
39,51,568.40	78,87,553.40
-	4,99,19,144.00
12,93,303.31	12,86,980.05
<u>5,88,85,688.26</u>	<u>10,86,31,893.33</u>

14 OTHER CURRENT FINANCIAL ASSETS (Unsecured, Considered Good)

DESCRIPTION
Advances recoverable in cash or in kind or value to be received (Refer Note 34(D))
Advance Tax (incl. Tax Deducted at Source)

AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
1,21,31,91,801.83	85,09,37,661.41
11,87,431.67	9,96,249.67
<u>1,21,43,79,233.50</u>	<u>85,19,33,911.08</u>

15 A EQUITY SHARE CAPITAL

DESCRIPTION

AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
--------------------------	--------------------------

AUTHORISED:

1,60,00,00,000 Equity Shares
(Previous Year 1,60,00,00,000) of Rs. 10/- each.

16,00,00,000,000.00	16,00,00,000,000.00
---------------------	---------------------

10,00,00,000 "A" Equity Shares (Previous Year 10,00,00,000)
of Rs.10/- each Carrying 100 Voting Rights per "A" Equity Share

1,00,00,000,000.00	1,00,00,000,000.00
--------------------	--------------------

30,00,00,000 "B" Equity Shares (Previous Year 30,00,00,000)
of Rs. 10/- each Carrying 1 Voting Right per 100 "B" Equity Shares

3,00,00,000,000.00	3,00,00,000,000.00
--------------------	--------------------

<u>20,00,00,00,000.00</u>	<u>20,00,00,00,000.00</u>
---------------------------	---------------------------

ISSUED SUBSCRIBED AND PAID-UP :

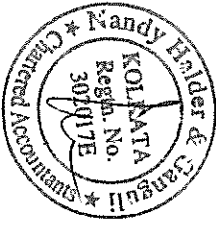
160,45,48,645 Equity Shares of Rs.10/- each fully paid up, (Previous year 160,45,48,645)

16,04,54,86,450.00	16,04,54,86,450
--------------------	-----------------

5,24,88,010 "B" Equity Shares of Rs.10/- each
fully paid up, (Previous year 5,24,88,010)

52,48,80,100.00	52,48,80,100.00
-----------------	-----------------

<u>16,57,03,66,550.00</u>	<u>16,57,03,66,550.00</u>
---------------------------	---------------------------



15.1 Of the above Shares:
Equity Shares out of the issued, subscribed and paid up Equity Share Capital were issued in the last five years for consideration other than Cash pursuant to a scheme of amalgamation

15.2 The Details of Shareholders holding more than 5% of shares:

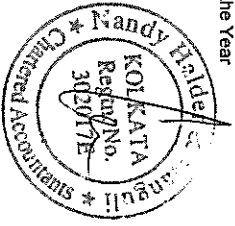
Name of the Shareholders	AS AT 31ST MARCH,2018		AS AT 31ST MARCH,2017	
	No of Shares	% held	No of Shares	% held
Equity Shares:				
State Bank of India	31,73,34,259	19.78%	23,97,41,630	14.94%
Axis Bank	7,59,96,419	4.74%	9,86,62,101	6.15%
The Lakshmi Vilas Bank Ltd.	8,28,57,244	5.15%	1,55,12,703	0.97%
"B" Equity Shares:				
Bharat NRE Coke Ltd. (Gujarat NRE Mineral Resources Ltd. merged with the Bharat NRE Coke Ltd)	1,40,75,913	26.82%	1,40,75,913	26.82%
SICOM	25,33,645	4.83%	25,33,645	4.83%

15.3 The reconciliation of the number of shares outstanding is set out below:

Particulars	AS AT 31ST MARCH,2018		AS AT 31ST MARCH,2017	
	No of Shares	% held	No of Shares	% held
Equity Shares:				
Equity Shares at the beginning of the year	1,60,45,48,645	-	1,55,50,81,900	-
Add: Shares issued on Conversion of Share Warrant	-	-	2,50,00,000	-
Add: Preferential Shares issue under CDR to CDR Lenders	1,50,45,48,645	-	2,44,66,745	-
Equity Shares at the end of the year	3,10,90,973,290	-	4,50,175,445	-
"B" Equity Shares:				
Equity Shares at the beginning of the year	5,24,88,010	-	5,24,88,010	-
Equity Shares at the end of the year	5,24,88,010	-	5,24,88,010	-

15.5 i) Shares Reserved for Issue under Employee Stock Options Plan
Movement in Options granted during the Year ended March'2018 is given below:

	No. of Options 31.03.2018		Weighted Average Exercise Price (in Rs.) 31.03.2018		No. of Options 31.03.2017		Weighted Average Exercise Price (in Rs.) 31.03.2017	
a) Outstanding at the beginning of the Year								
- Equity Shares	41,50,600	32.41			54,02,300	35.40		
- "B" Equity Shares	1,31,460	-			1,64,080	-		
Granted during the Year								
- Equity Shares	-	-			-	-		
- "B" Equity Shares	-	-			-	-		
Forfeited during the Year								
- Equity Shares	15,81,000	37.93			12,51,700	44.78		
- "B" Equity Shares	26,600	-			32,620	-		
Exercised during the Year								
- Equity Shares	-	-			-	-		
- "B" Equity Shares	-	-			-	-		
Expired during the Year								
- Equity Shares	-	-			-	-		
- "B" Equity Shares	-	-			-	-		
b) Outstanding at the end of the Year								
- Equity Shares	25,69,600	32.41			41,50,600	32.41		
- "B" Equity Shares	1,04,860	-			1,31,460	-		



- c) Exercisable at the end of the Year
 - Equity Shares
 - "B" Equity Shares

ii) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US \$ 20 Millions at per on 24th October 2012. These bonds are convertible into equity shares of the Company at the option of the bond holders at a price of Rs. 22.50 per share. On Conversion these Bonds will result in 47,784,400 equity shares of the Company.

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption	Employees Stock Option Outstanding	Surplus from Statement of Profit &	Total
Balance as at 1st April, 2016	2,51,25,48,630.00	1,50,67,65,211.37	5,64,30,71,913.73	1,96,57,49,654.49	3,76,15,714.29	(17,13,43,60,482.09)	(5,46,86,09,338.21)
Profit/(Loss) for the year						(6,75,82,50,370.30)	(6,75,82,50,370.30)
Other Comprehensive Income/(Loss) for the year						1,10,43,014.20	1,10,43,014.20
Securities premium Received During the Year			7,52,00,747.35			(23,88,15,67,818.19)	(12,21,58,16,694.31)
Adjustment for Employee stock option at fair value as Ind AS					12,30,484.00		7,52,00,747.35
Adjustment for Option Forfeited during the year					(86,12,390.00)		12,30,484.00
							(86,12,390.00)
Balance as at 31st March, 2017	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	3,02,33,808.29	(23,88,15,67,818.19)	(12,14,79,97,952.96)
Balance as at 1st April, 2018	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	3,02,33,808.29	(23,88,15,67,818.19)	(12,14,79,97,952.96)
Profit/(Loss) for the year						(4,08,76,01,135.89)	(4,08,76,01,135.89)
Other Comprehensive Income/(Loss) for the year					3,02,33,808.29	3,03,85,657.10	3,03,85,657.10
Securities premium Received During the Year						(27,93,87,83,296.98)	(16,20,52,13,351.75)
					(60,62,500.00)		(60,62,500.00)
Balance as at 31st March, 2018	2,51,25,48,630.00	1,50,67,65,211.37	5,71,82,72,661.08	1,96,57,49,654.49	2,41,71,308.29	(27,93,87,83,296.98)	(16,21,12,75,831.75)

16 LONG TERM BORROWINGS

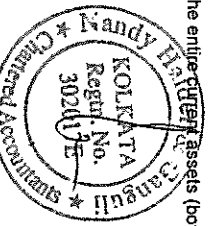
DESCRIPTION	AS AT 31ST MARCH 2018		AS AT 31ST MARCH 2017	
	Current	Non Current	Current	Non Current
Secured				
Non Convertible Debentures	1,59,85,52,050.00	2,52,65,84,940.00	1,06,87,84,250.00	3,05,63,52,750.00
Foreign Currency Term Loans from Scheduled Banks	38,33,06,576.85	62,53,98,204.33	25,21,76,695.29	75,65,30,085.89
Term Loans from Scheduled Banks	4,25,91,75,344.55	7,95,40,90,027.49	2,39,01,18,354.67	9,62,41,97,007.37
Term Loans from Scheduled Banks- FITL	32,87,42,000.00	57,54,70,359.46	20,79,58,000.00	69,62,53,359.46
Loan Liability Adjustment	51,59,73,934.01	51,59,73,934.01		5,15,35,268.24
	6,56,97,77,981.39	12,19,75,17,465.30	4,11,90,38,299.97	14,18,48,69,470.95
Unsecured				
Foreign Currency Convertible Bonds	1,32,66,00,000.00	-	-	1,32,66,00,000.00
	1,32,66,00,000.00	-	-	1,32,66,00,000.00
	7,89,63,77,981.39	12,19,75,17,465.30	4,11,90,38,299.97	15,51,14,69,470.95

- A) For all Secured Term Loans & Non Convertible Debentures excluding "B" & "C"
 i) Primary Security:

Parti-passu 1st charge over the entire fixed assets (both present & future) of the company's coke units at Khamballia and Bhachau in the state of Gujarat, Dharwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dharwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat excluding the movable fixed assets exclusively charged to Tata Capital Financial Services Ltd.

- ii) Collateral Security:

Parti-passu 2nd charge over the entire fixed assets (both present & future) of the company's coke units at Khamballia and Bhachau in the state of Gujarat and Dharwad in the state of Karnataka and Steel unit at Bhachau in the state of Gujarat.



b) Along with Working Capital facilities.

- First Part-passu charge on Residential Property at 1, Clyde Row, Hastings, Kolkata in the name of Mr. Arun Kumar Jagatramka
- First Part-passu charge on Residential cum-office Property at NRE House, Saru Road, Jamnagar, Gujarat in the name of Mr. Arun Kumar Jagatramka
- Pledge of 78,478,035 Equity shares and 12,357,468 Class "B" Equity Shares of GNCL held by the promoters/ promoter Group Company.
- Personal Guarantees of Promoter Directors viz. Mr. Arun Kumar Jagatramka and Mrs. Mona Jagatramka.
- Corporate Guarantees (to the extent of the value of shares pledged) of promoter group companies namely Bharat NRE Coke Ltd. and Mangal Crystal Coke Pvt. Ltd.
- Corporate Guarantees of Bharat NRE Coke Limited.

- c) The Rupee Term Loan II of Rs. 54 Crores from ICICI Bank Ltd. (assigned to JMARC) further secured by Corporate guarantee of Gujarat NRE Py Ltd.
- B) Term Loan from The Laxmi Vilas Bank Ltd. amounting to Rs. 48.50 Crores

Primary Security:

Part-passu 1st charge over the entire fixed assets (both present & future) of company Bhachau- Bajrangballi unit in the state of Gujarat.

Collateral Security:

Part-passu 2nd Charge over the entire fixed assets (both present & future) of the company's coke units at Khamballa and Bhachau in the state of Gujarat, Dhanwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dhanwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat excluding the movable fixed assets exclusively charged to Tata Capital Financial Services Ltd.

- C) Term Loan from others are secured by Hypothecation of specified Movable fixed assets financed.
- D) Maturity Profile of Term Loans are as set below::

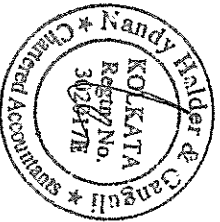
	Repayment profile (Rs.)			
	Repayable during 01.04.18 - 31.03.19	Repayable during 01.04.19 - 31.03.20	Repayable during 01.04.20 - 31.03.2021	Repayable beyond 31.03.2021
Foreign Currency Term Loans from Scheduled Banks	38,33,08,576.85	13,11,31,881.55	13,51,66,708.68	35,90,99,614.10
Term Loan from Banks	(25,21,76,695.29)	(13,11,31,881.55)	(13,11,31,881.55)	(49,42,66,322.79)
Term Loan from Banks-FITL	4,25,91,75,344.55	1,72,75,35,082.77	1,75,44,12,455.41	4,57,35,19,087.64
5.5% Foreign Currency Convertibles Bonds	(2,59,01,18,354.67)	(1,66,62,21,987.17)	(1,72,76,92,581.27)	(6,33,16,59,017.26)
Non Convertible Debentures	32,87,42,000.00	12,07,83,000.00	12,44,99,400.00	33,01,87,959.46
11% Secured Redeemable NCDs	(20,79,59,000.00)	(11,84,60,250.00)	(12,07,83,000.00)	(45,70,10,109.46)
12.50% Secured Redeemable NCDs	1,32,66,00,000.00	-	-	-
	1,32,56,10,107.50	52,97,67,810.00	54,19,93,221.00	1,58,72,65,861.50
	(92,82,84,250.00)	(52,97,67,810.00)	(52,97,67,810.00)	(1,99,68,17,130.00)
	14,05,00,000.00	-	-	-
	(14,05,00,000.00)	-	-	-

- E) The company was informed by ICICI Bank Limited vide letter dated 5th October 2016 about the assignment of the outstanding dues of ICICI Bank to J M Financial Asset Reconstruction Company Private Limited ("J M ARC") with effect from 27th September 2016. As such all the outstanding dues of ICICI Bank Limited with effect from the said date stands transferred to J M Financial ARC.

- F) The company was informed by DBS Bank Limited vide letter dated 13th April 2017 about the assignment of the outstanding dues of DBS Bank to Assets Care & Reconstruction Enterprise Limited ("ACRE") with effect from 29th March 2017. As such all the outstanding dues of DBS Bank Limited with effect from the said date stands transferred to ACRE.

17 LONG TERM PROVISIONS

DESCRIPTION	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Provision for Gratuity & Leave Encashment	3,59,15,863.00	5,36,29,968.00
Provision for Taxation	9,83,98,764.25	9,83,98,764.25
	<u>13,43,14,627.25</u>	<u>15,20,28,732.25</u>



18 SHORT TERM BORROWINGS

DESCRIPTION	AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
Secured	11,28,54,20,412.50	11,18,58,18,621.50
Working Capital Facilities from Scheduled Banks	11,28,54,20,412.50	11,18,58,18,621.50

i) Primary Security:
Part-passu 1st charge over the entire current assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat and Dhanwad in the state of Karnataka and Steel unit at Bhachau in the state of Gujarat.

ii) Collateral Security:

a) Part- passu 2nd charge over the entire fixed assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat, Dhanwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dhanwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat excluding the movable fixed assets exclusively charged to Tata Capital Financial Services Ltd.

b) Part- passu 2nd charge over the entire fixed assets (both present & future) of the company's Bhachau NRE Melcoke unit in the state of Gujarat.

iii) The Working Capital Loan of Rs. 75 Crores from ICICI Bank Ltd. (assigned to JMARC) is further secured by Corporate guarantee of Gujarat NRE Pvy Ltd.

19 TRADE PAYABLES

DESCRIPTION	AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
Micro, Small & Medium Enterprises*	79,32,93,290.77	1,68,76,88,801.06
Others	79,32,93,290.77	1,68,76,88,801.06

* The details of amounts outstanding to Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act), based on the available information with the company are as under:

Particulars	As at 31st March,2018	As at 31st March,2017
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid on all delayed payment under the MSMED Act	-	-
Payment made beyond the appointed day during the Year	-	-
Interest due and payable for the Year of delay other than above	-	-
Interest accrued remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding Years	-	-

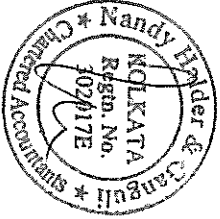
20 OTHER CURRENT LIABILITIES

DESCRIPTION	AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
Current maturities of long term debts	7,89,63,77,981.39	4,11,90,38,299.97
Interest Accrued & due on Borrowings	6,66,72,36,924.51	3,87,06,89,220.40
Unclaimed Dividend	39,51,568.40	78,87,553.40
Creditors for Capital Expenditure	8,34,70,862.50	8,75,40,594.54
Others Payables	41,98,43,457.87	41,46,59,869.57
	15,07,08,80,794.67	8,48,98,15,537.88

There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March, 2018.

21 SHORT TERM PROVISIONS

DESCRIPTION	AS AT 31ST MARCH,2018	AS AT 31ST MARCH,2017
Provision for Gratuity & Leave Encashment	44,01,510.00	48,85,536.03
Provision for Taxation	2,29,40,891.00	2,29,40,891.00
	2,73,42,401.00	2,78,26,427.00



REVENUE FROM OPERATIONS		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Sales		5,67,27,24,853.54	5,02,17,60,536.86
Add: Excise Duty		6,83,79,447.00	39,03,87,742.86
		5,74,11,04,300.54	5,41,21,48,279.72
		5,74,11,04,300.54	5,41,21,48,279.72

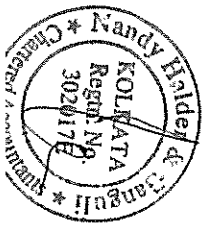
PARTICULARS OF SALE OF PRODUCTS		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Net Sales		4,18,28,90,735.82	4,21,38,30,077.82
Coal & Coke		1,35,78,45,176.72	1,39,52,85,281.72
Rollad & Alloy Steel Products		3,74,40,105.00	18,05,97,449.00
Electricity Power (Windmill)		13,19,88,941.00	13,19,88,941.00
		5,67,27,24,853.54	5,74,11,04,300.54
		6,83,79,447.00	39,03,87,742.86
		5,74,11,04,300.54	5,41,21,48,279.72

OTHER INCOME		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Interest Income		3,79,556.52	63,51,018.00
(TDS Rs.0.02 Lacs, Previous Year Rs. 0.10 Crores)			
Profit on Sale of Investments		18,50,00,000.00	23,03,226.14
Foreign Exchange Fluctuation		6,56,336.81	
Profit on Sale of Fixed Assets		1,00,000.00	
Miscellaneous Income		6,87,716.24	4,31,11,629.42
		18,68,03,609.57	5,17,65,873.56

COST OF MATERIAL CONSUMED		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Raw Material Consumed:		1,47,38,76,946.00	1,29,10,08,965.00
Opening Stock		3,49,08,29,910.70	4,75,03,70,417.08
Add: Purchases		4,96,47,06,856.70	6,04,13,79,402.08
Less: Closing Stock		58,54,57,258.00	1,47,38,76,946.00
Cost of Material Consumed		4,37,92,49,588.70	4,56,75,02,456.08

CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS & STOCK IN TRADE		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Closing Stocks		22,45,23,210.00	66,24,33,369.00
- Finished Goods		1,58,87,795.00	77,61,212.00
- Work In Process		24,04,11,005.00	67,01,94,581.00
Less: Opening Stocks		66,24,33,369.00	1,99,75,80,053.00
- Finished Goods		77,61,212.00	92,62,568.00
- Work In Process		67,01,94,581.00	1,99,75,80,053.00
Less: Change in Excise Duty on Stock		(42,39,05,671.00)	(1,32,66,48,040.00)
		58,77,905.00	(25,37,304.87)
		(42,39,05,671.00)	(1,32,91,85,344.87)

EMPLOYEES BENEFITS EXPENSES		FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
DESCRIPTION			
Salaries, Wages, Bonus & Labour Charges		23,90,33,313.00	28,22,69,319.49
Contribution to PF & Other Funds		1,84,39,606.00	2,17,09,208.00
Provision/Payment of Gratuity		(5,12,774.00)	54,18,770.00
Employee Compensation Amortisation Under ESOS		(29,86,356.11)	23,51,428.86
Employees Welfare Expenses		2,00,65,642.53	2,35,35,475.91
		27,40,39,431.42	33,52,84,202.26



26.1 Disclosure as required by IND AS 19 on Employee benefits :-
In respect of defined benefit scheme (based on Actuarial valuation)

	Gratuity Plan	(Rs. in Crores)	Leave Encashment
i Change in Obligation over the Year ended 31.03.2018			
- Present value of Defined Benefit Obligation as on 01.04.2017	4,98,50,789		86,64,715
- Current Service Cost	42,22,457		3,33,692
- Past Service Cost	(42,87,826)		-
- Interest Cost	36,64,033		6,36,857
- Curtailment Cost / (Credit)	-		-
- Settlement Cost / (Credit)	-		-
- Actuarial (gains) / losses due to :			
- change in demographic	(14,32,209)		(66,290)
- change in financial	25,40,052		(44,56,874)
- experience variance (i.e.	(1,73,26,886)		(20,25,135)
- Benefits paid	3,72,30,408		30,85,965
- Present Value of defined Benefit Obligation as on 31.03.2018	-		-
ii Expenses Recognized in Income Statement during the Year 2017-18			
- Current Service Cost	42,22,457		3,33,692
- Past Service Cost	(42,87,826)		-
- Interest Cost	36,64,033		6,36,857
- Curtailment Cost / (Credit)	-		-
- Settlement Cost / (Credit)	-		-
- Actuarial (gains)/ losses	-		-
- change in demographic	-		-
- change in financial	-		-
- experience variance (i.e.	-		(66,290)
- Expected return on plan assets	-		(44,56,874)
- Total Expenses for the Year	35,98,662		(35,52,615)
Other Comprehensive Income			
- Actuarial (gains)/ losses	-		-
- change in demographic assumptions	-		-
- change in financial assumptions	(14,32,209)		-
- experience variance (i.e. Actuarial experience vs assumptions)	25,40,052		-
- Return on plan assets, excluding amount recognised in net interest expenses	-		-
- Re-measurement (or Actuarial (gain)/loss) arising because of change in effect of asset ceiling	-		-
- Expense Recognised in the Income Statement	14,07,843		-

iii Principal Actuarial Assumptions at the balance sheet date.

- Discount rate 7.70%
- based on the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities)
- Expected rate of return on assets N/A
- Salary increase (taking into account inflation, seniority, promotion and other relevant factors) 5.00%
- Projected Unit Credit (PUC) actuarial method has been used to assess the Plan's liabilities, including those death-in-service and in capacity benefits.

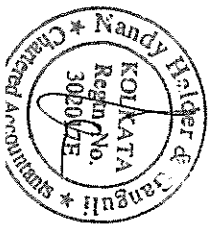
iv General Descriptions of defined benefit plans:

a) Gratuity Plan:
The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on Termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service.

b) Provident Fund Plan:
The Company contributes 12% of salary for all eligible employees towards Provident Fund managed by the Regional Provident Fund Authority.

27 FINANCE COSTS

DESCRIPTION	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
Interest Expenses	3,43,18,77,049.38	3,91,52,53,698.32
Other Borrowing Costs	18,39,137.47	2,36,46,879.02
	<u>3,43,37,16,186.85</u>	<u>3,93,89,00,577.34</u>



DESCRIPTION

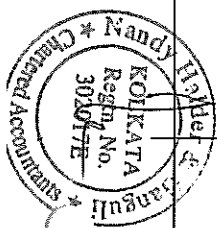
FOR THE YEAR
ENDED 31.03.2018FOR THE YEAR
ENDED 31.03.2017

Manufacturing Expenses:						
Power & Fuel			13,09,59,438.75			15,82,55,119.61
Stores, Spares & Consumables			7,81,60,800.72			8,49,56,725.18
Repair & Maintenance:						
- Plant & Machinery			21,44,26,815.09			16,48,65,010.69
- Building			3,37,557.53			6,31,991.00
- Others			79,60,631.43			1,02,32,266.51
Plant Hire Charges			-			15,15,00,000.00
				43,18,45,243.52		57,04,41,112.99
Selling & Distribution Expenses:						
Advertisement & Business Development			30,93,504.00			25,90,348.00
Carriage & Cartage			5,36,60,614.50			9,24,90,372.19
Commission on Sales			20,99,197.00			1,88,26,434.00
				5,88,53,315.50		11,39,07,154.19
Establishment Expenses:						
Professional & Service Charges			7,59,34,086.18			7,91,00,976.12
General Expenses			1,12,53,746.00			2,01,18,897.39
Rent			20,52,248.00			50,37,040.00
Rates & Taxes			16,27,806.00			2,25,07,779.00
Insurance Expenses			61,10,779.00			1,28,84,687.00
Unrecoverable Balances Written Off			5,01,29,117.52			21,06,54,841.25
Communication Expenses			16,87,261.28			19,76,977.00
Travelling & Conveyance			1,85,10,928.16			2,33,86,076.44
Auditors Remuneration						
- For Audit Fees						
Internal Audit Fees			18,00,000.00			18,00,000.00
Loss on Sale of Fixed Assets			1,50,000.00			4,50,000.00
Preliminary Expenses Written Off			-			4,20,037.63
				16,92,55,972.14		37,84,27,311.83
				65,99,54,531.16		1,06,27,75,579.01

Segment Informations:
Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2018.

1 Primary Segment Reporting (by Business Segment):

Particulars	2017-18			2016-17		
	Coal & Coke	Steel	Total	Coal & Coke	Steel	Total
Segment Revenue (Net Sales/Income from segment)						
External Sales	421.38	152.73	574.11	367.79	173.42	541.21
Inter-Segment Revenue	421.38	152.73	574.11	367.79	173.42	541.21
Less: Inter Segment Revenue		-	-		-	-
Total Segment Revenue	421.38	152.73	574.11	367.79	173.42	541.21
Segment Results Profit/(Loss) before Tax & Interest						
Add:- Other Un-allocable Income Net of Expenditure	(59.26)	(12.47)	(71.73)	(259.31)	(13.09)	(272.41)
Less:- Finance Charges			6.34			(9.55)
Less:- Provision for Tax			343.37			393.89
Net Profit before Extraordinary Items			(408.76)			(675.83)
Less: Extraordinary Items						
Net Profit			(408.76)			(675.83)



Assets	2017-18		2016-17	
	India	Rest of the World	India	Rest of the World
Segment Assets*	947.69	343.53	1134.98	368.83
Un-allocable Assets	-	-	-	-
Total Assets	947.69	343.53	1134.98	368.83
Liabilities				
Segment Liabilities	90.10	42.53	173.24	50.13
Un-allocable Liabilities	-	-	-	-
Total Liabilities	90.10	42.53	173.24	50.13
*Including captive windmills	-	-	-	-
Capital Expenditure	4.02	242.98	4.43	261.77
Non Cash Expenses	0.76	0.23	21.76	0.53
Depreciation & Amortisation	33.37	23.47	35.73	23.83

ii) Secondary Segment Reporting (by Geographical demarcation):

Particulars	2017-18		2016-17	
	India	Rest of the World	India	Rest of the World
Segment Revenue	574.11	-	541.21	-
Segment Assets	1,291.22	-	1,503.81	-
Capital Expenditure	0.99	-	22.29	-

30 The Earnings Per Share as per Accounting Standard (AS)- 20 are as under:

Particulars	2017-18		2016-17	
	India	Rest of the World	India	Rest of the World
Earnings				
Net Profit for the Year (Rs. / Crores)				
Add: Interest on FCCB (Rs. / Crores)				
Earnings for Diluted EPS (Rs. / Crores)				
Shares				
Number of shares at the beginning of the Year				
Add: Share Allotted against Share Warrants				
Add: Preferential Allotment				
Total number of equity shares outstanding at the end of the Year				
Weighted average number of shares outstanding during the Year (for Basic EPS)				
Weighted average number of shares outstanding during the Year (for Diluted EPS)				
Earning per share :				
- Basic (Rs.)	(2.47)	(2.47)	(2.47)	(4.09)
- Diluted (Rs.)	(2.47)	(2.47)	(2.47)	(4.09)

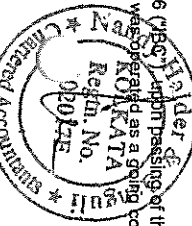
31 Corporate Insolvency Resolution Process and Liquidation process:

- i) A Corporate Insolvency Resolution Process ("CIRP") under Section 10 of The Insolvency & Bankruptcy Code 2016 ("IBC"), read with section 7 of Insolvency and Bankruptcy (Application of Adjudicating Authority) Rules, 2016 was initiated by the company and by an order dated 7th April 2017 Hon'ble National Company Law Tribunal, Kolkata Bench ("NCLT") appointed Mr. Sunil Binani as the Interim Resolution Professional who was later appointed as Resolution Professional by the Committee of Creditors ("CoC").
- As no resolution plan was approved during CIRP which concluded on 1st January 2018, NCLT ordered liquidation of the company under section 33 of IBC and appointed Mr. Sunil Binani as the liquidator of the Company. Currently the company is under liquidation and the necessary steps for liquidation of the assets are being taken by the liquidator while running the business of the company.

Claims under Liquidation:

Post liquidation all the claims received by the liquidator from the creditors of the company has been considered by the liquidator in accordance with the provisions of the Insolvency & Bankruptcy Code, 2016. The details of the claims received and admitted is uploaded on the website of the company and can be accessed using the link: <http://www.gujaratnclt.co.in/PList%20of%20Stakeholders.pdf>

- ii) In terms of Provisions of the Insolvency & Bankruptcy Code 2016 (IBC), upon passing of the Liquidation Order, the liquidator is required to prepare the receipts and payments accounts only. However, since during the major part of this financial year ended 31st March 2018, the company was operated as a going concern under the Corporate Insolvency Resolution Process ("CIRP"), the accounts of the company has been prepared and audited in the terms of the requirement of the Companies Act 2013.



32 Contingent liabilities for which no claims has been received by the Liquidator:
(Below details of Contingent liabilities has been given for the information and compliance purposes only)

	As at 31st March 2018	As at 31st March 2017
i) Outstanding Bank Guarantees and Counter / Corporate Guarantees given on behalf of companies.	26,26,55,21,619.00	26,22,95,43,119.00
ii) Capital commitments	73,25,59,477.00	73,25,59,477.00
iii) Duty on account of Advance Authorisation against Export obligation.	4,86,85,101.00	4,86,85,101.00
iv) On Balance Sheet date, the disputed amount involved in six income-tax demands(Previous year ten) under appeal (The management is of view that the outcome of the appeal would be favourable to the company, hence no provision has been made against these income-tax demands.)	81,81,48,067.00	1,57,43,33,488.00
v) Demand raised by the Central Excise department, against which company has filed an appeal to the Jurisdiction authorities.	6,09,56,993.00	8,48,81,933.00
vi) Demand raised by the Service tax department, against which company has filed an appeal to the jurisdiction authorities.	9,29,81,453.00	7,49,30,732.00
vii) Demand raised by the Custom department, against which company has filed an appeal to the Jurisdiction authorities.	12,64,26,427.00	12,64,26,427.00

33 i) The company uses forward contracts to hedge its risks associated with foreign currencies relating to foreign currency liabilities. The company does not use forward contracts for speculative purpose.

	As at 31st March 2018	As at 31st March 2017
a) Forward Contracts outstanding for hedging currency risks	-	-
- Loans	-	-
- Payable	-	-
b) Foreign Currency Exposures that have not been hedged	2,33,53,06,781.18	2,33,53,06,781.18
- Loans including accrued interest	2,03,05,823.29	9,03,94,565.84
- Payable	2,89,89,67,355.52	2,89,89,67,355.52
- Receivable	-	-

34 i) Exchange difference Gain/ (Loss) of Rs. Nil (Previous Year Rs. Nil) in respect of unexpired period of forward cover contracts will be recognised in the Statement of Profit & Loss in subsequent year.

34 Related Party Disclosures as required by Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India (ICAI), are given below:

A. Particulars of the Related Parties:

Subsidiary Companies

- Wholly Owned**
i) Hunter Valley Coal Pvt. Ltd.
ii) Manor Deacom Pvt. Ltd.

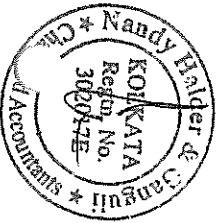
Associates

- i) Bulli Coke Ltd.
ii) Bhachau Traders Pvt. Ltd
iii) Critical Mass Multilink Ltd
iv) Gaurav Vinimay Pvt. Ltd.
v) Gujarat NRE Pty Limited, (an Australian Company)
vi) Khambhalla Traders Pvt. Ltd.
vii) Gujarat NRE Energy Resources Ltd.
viii) Madhur Coal Mining Pvt Ltd
ix) Mahanidhi Vyapaar Pvt. Ltd.
x) Mangal Crystal Coke Pvt. Ltd
xi) Newage Vinimay Pvt Ltd
xii) Russel Vale Traders Pvt. Ltd.
xiii) Wonga Traders Pvt. Ltd.

Enterprises in which key management personnel have significant Influence

- i) Bharat NRE Coke Ltd.
ii) Dhanwad Traders Pvt. Ltd.
iii) Lunva Traders Pvt. Ltd.
iv) Gourputra Consultants Pvt Ltd

Enterprise in which key management person is a trustee
Girdhanial Arun Kumar Family Trust



B. Key Management Personnel *

- | | |
|----------------------------|--------------------------------|
| I Mr. A. K. Jagatramka | - Chairman & Managing Director |
| II Mr. Nithin Daga | - Chief Financial Officer |
| III Mr. Pawan K Agrawal | - Chief Commercial Officer |
| IV Mr. Sunil Kumar Maskara | - Chief Operating Officer |
| V Mr. Mukund Chandak | - Company Secretary |

* w.e.f. the date of Order of Liquidation of the company i.e. 11th January 2018, the powers of all the Directors and Key Management Personnel of the company has been ceased and vesting with the Liquidators of the company appointed pursuant to the said Order.

Relatives of Key Management Personnel

- | | |
|---------------------------|----------------------------|
| I Mrs. Mona Jagatramka | - Director |
| II Ms. Kavita Jagatramka | - Senior Vice President |
| III Ms. Tanvee Jagatramka | - Chief Brand Officer |
| IV Mr. Ayush Jagatramka | - Assistant Vice President |

C Transaction with Related Parties

S.N Particulars of Transactions

i Sale of Goods /Services

- Enterprises in which key management person has significant influence

ii Purchase of Goods /Services

- Enterprises in which key management person has significant influence

iii Remuneration

- Key Management Personnel
- Relatives of Key Management Personnel

iv Shares Allotted

- Enterprises in which key management person has significant influence

v Rent Paid

- Key Management persons
- Enterprises in which key management person is a trustee
- Enterprises in which key management person has significant influence

vi Guarantees/Collateral Securities Outstanding as at the Year end

- Given on behalf of Associates
- Given on behalf of Enterprises in which Key Management Personnel has significant influence
- Given by Associates on behalf of the Company
- Given by Key Management Personnel on behalf of the Company
- Given by Enterprises in which key management person has significant influence

As per ODR Package, Shri Arun Kumar Jagatramka & Mrs. Mona Jagatramka, Key Management Personnel, Relatives of Key Management personnel & some of the Enterprises in which Key Management personnel has significant Influence has given Guarantee on behalf of the Company to the extent of Loan Outstanding.

D The Company has the following amounts due from/ to related parties:

Due from Related Parties (Included in loans & advances and sundry debtors)		
Subsidiaries		
- Included in Loans & Advances	2,77,32,84,000.00	2,77,32,84,000.00
Due to Related Parties (Included in current liabilities)		
- Associates		
- Enterprises in which key management person is a trustee	34,00,484.71	-

As at
31st March 2018

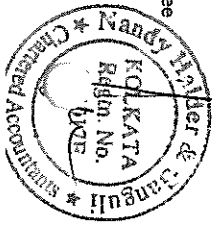
As at
31st March 2017

Current Year

Current Year

66,33,00,000.00
86,54,00,000.00
29,51,43,85,044.18

8,40,000.00
1,21,80,000.00
10,50,000.00
29,41,56,33,243.18



35 Particulars of Balances with Non-Scheduled banks :

Inherent Account*	31st March 2018	31st March 2017	Current Year	Maximum as on	Previous Year
a) ICICI Bank UK PLC, London Branch	5,19,877.08	5,12,363.48	5,19,877.08	5,19,877.08	5,12,363.48
b) SBI Sydney Branch	5,89,677.17	5,89,677.17	5,89,677.17	5,89,677.17	5,89,677.17
c) SBI New York Branch	1,83,749.06	1,84,939.40	1,83,749.06	1,83,749.06	1,84,939.40

* None of the directors of the company are interested in such banks.

36 There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March 2018.

37

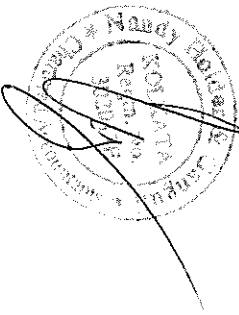
1) During 2007, the company and Armada (Singapore) Pte Ltd ("Armada") had entered into a five-year charter party agreement for chartering of vessels. Dispute arose between the parties and Armada commenced Arbitration Proceedings against the company. Armada availed three awards against the company. The first two awards for US\$ 7.80 million (Rs. 51.09 crores) plus interest and US\$ 4.67 million (Rs. 30.59 crores) plus interest were issued in favour of Armada. However, there was a serious dispute with respect to the constitution of the Arbitral Tribunal which had passed the said Awards since the said Tribunal was not constituted in terms of the agreement between the parties. Upon objections raised by the company, the Tribunal was reconstituted as per the terms of the agreement and the Third Award was passed by the newly constituted Tribunal which was partially in favour of the company when the company was held liable only for non-performance of one shipment out of six shipments to the tune of US\$ 1.15 million (Rs. 7.53 crores) plus interest. Meanwhile Armada had executed the aforesaid Awards in Australia and had partially recovered the value of the said Awards. Subsequently, Armada had filed three separate execution petitions before the Hon'ble High Court at Calcutta with respect to the said three Awards and the said petitions are presently sub-judice before the said Ld. Single Judge. The objections filed by the company against the same in terms of UN Convention or sec 48 of the Arbitration and Conciliation Act, 1996 is also pending in the same court.

ii) During November 2014, Wollongong Coal Ltd (WLC) and Wongawilli Coal Pty Ltd. (WCPL) had filed a Summon and a Commercial List Statement before the Supreme Court of New South Wales, Australia against the Company alleging non-payment by defendant against supply of coking coal by WLC and WCPL under coal purchase agreements and claimed a composite amount of US\$ 54.26 million (Rs. 355.40 crores) from the Company. The Company had filed a Notice of Appearance and Commercial List Response on 23rd March 2015 claiming set-off of the aforesaid claim against (i) Unwashed coal adjustment payable by WLC / WCPL for an amount of US\$ 37.26 million (Rs. 244.05 crores) and (ii) Unpaid freight payable by WLC / WCPL for an amount of US\$ 9.02 million (Rs. 58.68 crores). Further the company had also claimed a set-off for unpaid corporate guarantee commission for an amount of US\$ 39.74 million (Rs. 260.30 crores) and AU\$ 18.84 million (Rs. 95.33 crores) filed against WLC and WCPL in its Statement of Claim SC 2014 / 239422 joined to these proceedings aggregating to Rs. 658.36 crores. Meanwhile as the company had entered into the CIRP process on 23rd March 2017, the Supreme Court of New South Wales, Australia had passed a Judgment on 27th March 2017 in favour of WLC and WCPL for US\$ 59.725 million (Rs. 391.20 crores) and US\$ 10.43 million (Rs. 68.32 crores) respectively aggregating to Rs. 459.52 crores. While the claims towards unwashed coal adjustment were lost as part of the said judgment, the company retained its right to pursue its claims for Corporate Guarantee Commissions aggregating to Rs Rs. 253.99 crores against WLC and Rs. 101.64 crores against WCPL which could be set-off against the amounts claimed by them.

The Supreme Court of New South Wales, Australia in its judgment dated 23rd March 2013 observed that: "23. In the circumstances hypothetically under consideration, it would be open to Gujarat Coke to make an application under r. 36.16(2)(b)..."

Therefore, being entitled to appeal, the company has the option to pursue its claims for corporate guarantee commission and claim set off against the claim of WLC and WCPL.

38 Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.



1. Company Information

Gujarat NRE Coke Limited (the Company) is a Public Limited Company domiciled in India with its registered office located at 22, Camac Street, Block-C, 5th Floor, Kolkata- 700 016.

The Shares of the Company is listed* on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Non-Convertible Debentures of the company (including Debentures issued under QIP) are listed at BSE. The Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Limited (SGX).

** Pursuant to the Liquidation Order passed by NCLT, Kolkata Bench, the Stock Exchanges have suspended the trading in the listed securities of the Company.*

2. Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

a) **Basis of Preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

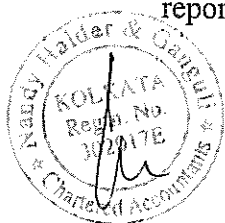
The financial statements of the Company for the year ended 31st March, 2018 were approved for issue by the Liquidator of the Company.

b) **Basis of measurement**

The financial statements are prepared under historical cost conventions unless otherwise indicated and as a going concern basis following the accrual basis of accounting.

2.2 Key Accounting Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.



Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Significant Accounting Policies

a) **Property, Plant and Equipment's**

Capital Work in Progress, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

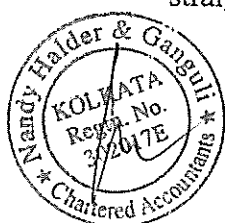
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Class of Assets	Useful Lives
Building	30 years
Plant & Machineries	20 years
Office Equipment	5 years
Computers & accessories	3 years
Furniture & Fixture	10 years
Vehicles	8 years
Electrical Installations	10 years
Wind Mill	22 years

An item of Property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any Gain or Loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the income statement when the asset is derecognized.

b) **Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.



c) **Investments in subsidiaries, associates and joint ventures**

When an entity prepares separate financial statements, IndAS 27 requires it to account for its investment in subsidiaries, joint ventures and associates either (i) at cost or (ii) in accordance with IndAS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind-AS Balance Sheet (a) cost determined in accordance with Ind AS 27; or (b) deemed cost.

The deemed cost of such an investment shall be its:

- (i) fair value (determined in accordance with Ind AS 109) at the entity's date of transition to Ind-AS in its separate financial statements; or
- (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, jointly controlled entity or associate that it elects to measure using a deemed cost.

Accordingly, the company has accounted its investment in subsidiaries, joint ventures and associates at carrying amount as per previous GAAP on transition date.

d) **Investments**

Long term investments being Investment in Listed Equity Shares are stated at fair value through other comprehensive income. Provision is made when diminution in the value of investments is considered other than temporary in nature. Current investments are stated at lower of cost and market value.

e) **Inventories**

Inventories are valued as under:

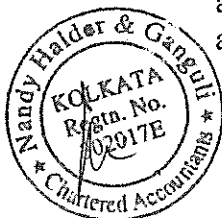
- i. Raw Materials : At Cost or Net Realisable Value whichever is lower
- ii. Finished Products : At Cost or Net Realisable Value whichever is lower
- iii. Stores, Spares and Components : At Cost or Net Realisable Value whichever is lower
- iv. Stock in process : At Raw material Cost plus estimated cost of conversion up to the stage of completion or Net Realisable Value whichever is lower.

Cost includes all direct cost and applicable manufacturing and administrative overheads. Inventories are valued on FIFO basis. Variation, if any, between books and physical stocks detected on physical verification, obsolete & slow-moving stocks are adjusted in accounts as found appropriate.

f) **Financial instruments**

1) *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.



II) Subsequent measurement:

a) Non-derivative financial instruments

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.

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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. 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 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 amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IndAS 109, Financial Instruments. Any derivative that is either not designated a hedge or is so designated but is ineffective as per IndAS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.



Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss. when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

ii) *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 IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

h) **Impairment of Assets**

i) *Financial assets*

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) *Non-financial assets*

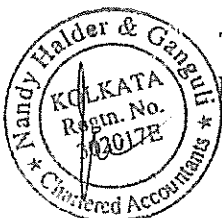
Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

i) **Provisions, Contingent Liabilities and Contingent Assets**

The Company makes a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount



of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are disclosed when an inflow of economic benefit is probable and/or certain.

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured

- i. In respect of Sales : When the significant risks and rewards of ownership of goods have been passed on to the buyer, which generally coincides with delivery / shipment of goods to customers.
- ii. In respect of Interest Income : On time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. In respect of Service Income : When the services are performed as per contract.
- iv. In respect of Dividend Income : When right to receive payment is established.
- v. In respect of Insurance Claims : On Settlement of Claims
- vi. In respect of Guarantee Commission : When right to receive payment is established.

Under IndAS 18, Excise duty will not be netted from revenue and shown as a part of expenses. Revenue from product sales is recognized inclusive of Excise Duty upto 30th June' 2017 and exclusive of Indirect Taxes, Returns, Trade Discount etc. Sales Returns are accounted for when goods are returned.

k) Foreign Exchange Transactions

a. Initial Recognition

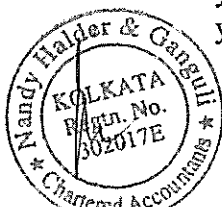
Foreign Exchange transactions are recorded normally at the exchange rates prevailing on the date of the transactions.

b. Conversion Foreign

Currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at the fair value or other similar denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c. Exchange differences

Exchange differences arising on settlement of transactions or on reporting monetary items of the Company at the rate different from those at which they were initially recorded during the year, or reported in previous financial statement, are recognised as income or expenses in the year in which they arise except in case where they relate to acquisition of fixed assets.



l) **Borrowing Costs**

Borrowing Costs that are attributable to the acquisition and constructions of qualifying assets are capitalised as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs of the Year are charged to revenue in the period in which they are incurred.

m) **Income Taxes**

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

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 realized.

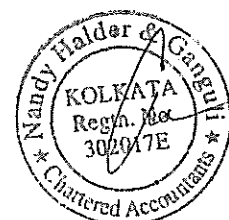
Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

n) **Earnings per equity share**

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the Year by the weighted average number of equity shares outstanding during the Year. For the purpose of calculating diluted earnings per share, net profit after tax for the Year and the weighted average number of shares outstanding during the Year are adjusted with the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the Year, unless they have been issued at a later date.

o) **Employee benefits**

a) *Short Term & Post-Employment Benefits*



Employee benefits of short-term nature are recognized as expense as and when those accrue. Post employments benefits are recognized as expenses based on actuarial valuation at Year end which takes into account actuarial gains and losses.

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

b) Employee Stock Option Scheme (ESOS)

Aggregate quantum of options granted under the schemes in monetary term net of consideration of issue, to be paid in cash, are shown in the Balance Sheet as Employees Stock Option outstanding under Reserves & Surplus and as Deferred Employees Compensation (ESOS) under Unamortized Expenditure as per guide-lines of SEBI in this respect. With the exercise of options and consequent issue of equity shares corresponding ESOS outstanding is transferred to Securities Premium Account.

p) Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

