

**ACB (India) Limited**

**Consolidated Financial Statements  
for the year 2014-2015**

## **Independent Auditor's Report**

To the Board of Directors of ACB (India) Limited

### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of ACB (India) Limited ('the Company' or 'Holding Company'), its subsidiaries, associates and joint ventures, as described in note 2(b)(vi), (collectively called the 'Aryan Group' or 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether

the Holding Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2015;
- (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters**

- a. We draw attention to note 30 (d) of the Consolidated Financial Statements with regard to dispute with one of the customers for quality of the beneficiated coal supplied by the Company, one subsidiary and one associate of the Group. The customer has invoked bank guarantees of Rs. 353,899,803 [including Rs. 37,994,803 being proportionate share in relation to an associate company] and raised further claim amounting to Rs. 323,437,043 [including Rs. 80,219,243 being proportionate share in relation to an associate company] for recovery of cost of coal supplied by customer for beneficiation and penalties. All three entities had filed an application seeking interim protection from the invocation of the bank guarantees till the matter is decided by the Arbitral Tribunal. District Judge dismissed the plea of above companies and the same was challenged before Hon'ble High Court, Nagpur, which also rejected the plea of all the three companies. After rejection of the plea by Hon'ble High Court, Nagpur, these companies have filed Special Leave Petition ('SLP') with Hon'ble Supreme Court of India.

In the meantime, the High Court of Judicature at Bombay, Nagpur Bench had appointed sole arbitrator to adjudicate the dispute. During the year ended 31 March 2015, the above companies and the customer filed their claim and counter claim (including claim towards power generation loss, which is considered as baseless) respectively with the Arbitrator. The matter is under litigation, however the management believes that the final outcome of the litigation will not have significant financial impact and accordingly, no provision is required against claims of the customer. Our report is not modified in respect of this matter.

- b. We draw attention to note 34 of the Consolidated Financial Statements which explains the management's assessment of overdue receivable and security deposit amounting to Rs. 482,869,161 (previous year Rs. 482,869,161) and Rs. 8,500,000 (previous year Rs. 8,500,000), respectively, from one of the customer of the Company and a subsidiary company, relating to the sale of beneficiated coal. The Company and the subsidiary company, based on the agreed terms of contract and present negotiations, is confident of recovering the entire outstanding amount and

hence considers that no provision for doubtful debt and advances is required at this stage. Our report is not modified in respect of this matter.

- c. Attention is invited to note 37 of the Consolidated Financial Statements with regard to certain transactions covered under section 297 of the Companies Act, 1956, amounting to Rs. 11,953,556, Rs. 22,309,168, Rs. 75,415,438 and Rs. 489,215 pertaining to financial year ended 31 March 2014, 31 March 2012, 31 March 2011 and 31 March 2010, respectively, which are in excess of the amount approved by the Central Government and certain transactions amounting to Rs. 10,305,567 for the year ended 31 March 2010, in respect of which prior approval of the Central Government, as envisaged under that section had not been obtained.

Subsequent to the year end, the Company and two subsidiary companies have filed an application to Ministry of Corporate Affairs ('MCA') for compounding of the above matter. However, reply from MCA is still awaited, the management believes that the impact of above will not have significant impact on the Consolidated Financial Statements. Our report is not modified in respect of this matter.

### **Other Matter**

We did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs. 9,671,712,390 as at 31 March 2015, total revenues of Rs. Nil and net cash outflows amounting to Rs. 421,400,750 for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net loss of Rs. 33,904,206 for the year ended 31 March 2015, as considered in the Consolidated Financial Statements, in respect of associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors. Our report is not modified in respect of this matter.

*For B S R & Company*  
*Chartered Accountants*  
ICAI Firm Registration No: 128032W

Sd/-

**Pravin Tulsyan**  
*Partner*  
Membership No. 108044

Place: Gurgaon  
Date: 18 July 2015

**ACB (India) Limited**  
**Consolidated Balance Sheet as at 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

	Note	As at 31 March 2015	As at 31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	2,380,057,280	2,380,057,280
(b) Reserves and surplus	4	23,675,252,697	19,427,269,131
		<b>26,055,309,977</b>	<b>21,807,326,411</b>
<b>(2) Minority interest</b>			
	5	<b>1,774,942,261</b>	<b>1,672,800,939</b>
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	6	35,184,185,469	23,504,260,919
(b) Deferred tax liabilities (net)	7	1,339,971,531	1,474,439,732
(c) Other long-term liabilities	8	2,306,280,467	1,893,759,573
(d) Long-term provisions	9	127,859,185	84,400,109
		<b>38,958,296,652</b>	<b>26,956,860,333</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	10	7,528,619,079	7,628,717,834
(b) Trade payables	11	1,475,127,224	855,136,220
(c) Other current liabilities	8	5,292,734,797	6,883,881,049
(d) Short-term provisions	9	192,015,114	164,528,229
		<b>14,488,496,214</b>	<b>15,532,263,332</b>
<b>TOTAL</b>		<b>81,277,045,104</b>	<b>65,969,251,015</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
-Tangible assets	12	23,422,823,359	21,306,679,999
-Intangible assets	12	909,847,246	647,080,840
-Capital work in progress		29,591,368,394	22,961,929,819
		<b>53,924,038,999</b>	<b>44,915,690,658</b>
(b) Non-current investments	13	12,357,407,914	9,089,827,282
(c) Long-term loans and advances	14	2,184,291,504	2,444,401,437
(d) Deferred tax assets (net)	15	78,825,126	103,150,601
(e) Other non-current assets	16	734,422,739	1,080,837,345
		<b>15,354,947,283</b>	<b>12,718,216,665</b>
<b>(2) Current assets</b>			
(a) Inventories	17	2,545,102,603	2,231,291,670
(b) Trade receivables	18	4,027,293,982	3,683,642,996
(c) Cash and bank balances	19	2,706,540,532	672,080,686
(d) Short-term loans and advances	14	1,991,008,473	1,298,468,290
(e) Other current assets	20	728,113,232	449,860,050
		<b>11,998,058,822</b>	<b>8,335,343,692</b>
<b>TOTAL</b>		<b>81,277,045,104</b>	<b>65,969,251,015</b>

**Significant accounting policies**

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The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For **B S R & Company**

Chartered Accountants

ICAI Firm Registration No : 128032W

Sd/-

**Pravin Tulsyan**

Partner

Membership No.: 108044

For and on behalf of Board of Directors

Sd/-

**Rudra Sen Sindhu**

Chairman cum Managing Director

DIN: 00006999

Sd/-

**Vir Sen Sindhu**

Jt. Managing Director

DIN : 00034773

Sd/-

**Satish Kumar Sharma**

Company Secretary

Sd/-

**Sanjay Hasija**

Chief Finance Officer

Place : Gurgaon

Date : 18 July 2015

Place : Gurgaon

Date : 18 July 2015

**ACB (India) Limited**  
**Consolidated Statement of Profit and Loss for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>I</b>	Revenue from operations	21	20,904,617,613
<b>II</b>	Other income	22	15,873,216,670
<b>III</b>	<b>Total revenue (I+II)</b>	<b>21,082,211,414</b>	<b>16,067,316,872</b>
<b>IV</b>	<b>Expenses:</b>		
	Cost of material consumed	16,262,830	50,180,262
	Purchases of coal	2,058,924,889	2,614,661,179
	Purchases of stock in trade	141,726	6,340,082
	Changes in inventories	23	(231,664,211)
	Power, fuel and water charges	885,162,822	873,855,831
	Consumption of chemicals	61,199,459	49,790,605
	Transportation and loading charges	4,733,844,827	2,839,925,950
	Purchase of equipment and other engineering services charges	35,854,723	-
	Employee benefit expense	24	1,182,889,066
	Finance cost	25	972,784,374
	Depreciation/amortisation expense	12	2,429,255,140
	Other expenses	26	1,306,007,019
		<b>16,791,064,487</b>	<b>13,849,521,524</b>
<b>V</b>	<b>Profit before tax before share in profit/ (loss) of associates and share in (profit)/ loss transferred to minority (III-IV)</b>	<b>4,291,146,927</b>	<b>2,217,795,348</b>
<b>VI</b>	<b>Tax expense:</b>		
	Current tax	1,233,157,265	446,833,266
	Less: MAT Credit Entitlement	(18,500,807)	(116,488,670)
	Net current tax	1,214,656,458	330,344,596
	Deferred tax charge	(110,142,725)	209,723,688
	Wealth tax	1,177,000	886,870
	Taxes for earlier years	-	(72,975,102)
		<b>1,105,690,733</b>	<b>467,980,052</b>
<b>VII</b>	<b>Profit after tax before share in profit/ (loss) of associates and share in (profit)/ loss transferred to minority (V - VI)</b>	<b>3,185,456,194</b>	<b>1,749,815,296</b>
	Share in profit/ (loss) of associates, net	20,389,691	57,305,244
	Share in (profit)/ loss transferred to minority, net	(22,068,323)	(44,111,352)
		<b>(1,678,632)</b>	<b>13,193,892</b>
<b>VIII</b>	<b>Profit for the year</b>	<b>3,183,777,562</b>	<b>1,763,009,188</b>
	<b>Earnings per share</b>	27	
	Basic and diluted earning per equity share (in Rs.) [Face value Rs. 10 each]	<b>13.38</b>	<b>7.41</b>
	<b>Significant accounting policies</b>	2	
	The notes referred to above form an integral part of the consolidated financial statements.		
As per our report of even date attached			
<b>For B S R &amp; Company</b>		<b>For and on behalf of Board of Directors</b>	
Chartered Accountants			
ICAI Firm Registration No :128032W		Sd/-	Sd/-
		<b>Rudra Sen Sindhu</b>	<b>Vir Sen Sindhu</b>
		Chairman cum Managing Director	Jt. Managing Director
		DIN: 00006999	DIN : 00034773
Sd/-		Sd/-	
<b>Pravin Tulsyan</b>		<b>Satish Kumar Sharma</b>	<b>Sanjay Hasija</b>
Partner		Company Secretary	Chief Finance Officer
Membership No.: 108044			
Place : Gurgaon		Place : Gurgaon	
Date : 18 July 2015		Date : 18 July 2015	

**ACB (India) Limited**  
**Consolidated Cash Flow Statement for year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>A) Cash flow from operating activities:</b>		
Net profit before tax	4,291,146,927.00	2,217,795,348
<b>Adjustments for :</b>		
Depreciation/ amortisation	1,572,932,268	1,306,007,019
Loss / (profit) on sale of fixed assets (net)	49,653,823	(741,943)
Bad debts written off	3,250,746	7,826,319
Bad debts recovered	(26,625)	-
Sundry balances written back	(315,483)	(18,478,139)
Sundry balances written off	3,541,928	-
Finance cost	2,718,003,707	2,429,255,140
Interest income	(134,047,372)	(74,789,890)
Refund from sales tax department	(545,313)	-
Dividend income	(102,298)	(36,990)
Forward premium amortised	2,652,352	5,948,869
Foreign exchange loss (net)	2,156	26,904,676
Capital work in progress written-off	3,422,012	3,140,550
<b>Operating profit before working capital changes</b>	<b>8,509,568,828</b>	<b>5,902,830,959</b>
<b>Adjustments for :</b>		
(Decrease) in other liabilities	(191,196,314)	(192,026,827)
Increase in long term and short term provisions	51,762,126	1,902,018
Increase/ (decrease) in trade payables	389,201,480	(47,408,446)
(Increase)/ decrease in long term and short term loans and advances	(288,849,533)	176,740,595
(Increase) in inventories	(300,551,973)	(411,249,397)
(Increase)/ decrease in trade receivables	(346,875,107)	(114,335,947)
(Increase) in other current and non-current assets	(316,250,652)	126,719,081
<b>Cash generated from operations</b>	<b>7,506,808,855</b>	<b>5,443,172,036</b>
Taxes paid (net) (including wealth tax)	(977,314,312)	(576,083,535)
Refund from sales tax department	545,311	-
<b>Net cash flow from operating activities (A)</b>	<b>6,530,039,854</b>	<b>4,867,088,501</b>
<b>B) Cash flow from investing activities:</b>		
Purchase of fixed assets/ capital work in progress (including capital advances)	(6,375,660,653)	(12,345,297,650)
Sale of fixed assets	94,538,215	2,567,950
Share application money paid	(49,417,190)	(1,099,000,000)
Share application money paid received back	49,417,190	1,235,000,000
Application money for debentures	(186,000,000)	-
Application money for debentures received back	186,000,000	-
Movement in fixed deposits	(664,848,052)	513,414,833
Purchase of investments	(152,518,949)	(2,042,346,629)
Purchase of business (net of cash acquired)	(13,848,727)	-
Sale of investments in shares	2,972,584	332,045,000
Purchase of investments in debentures	(1,630,000,000)	-
Inter-corporate deposit given	(1,998,253,126)	(583,555,767)
Inter-corporate deposit given received back	1,361,220,002	285,000,000
Interest income	229,344,702	132,464,073
Dividend received	6,359,656	6,294,348
<b>Net cash used in investing activities (B)</b>	<b>(9,140,694,348)</b>	<b>(13,563,413,842)</b>
<b>C) Cash flow from financing activities:</b>		
Proceeds from issue of equity share capital to minority shareholders	-	295,000
Proceeds from share application money	-	307,800,000
Repayments of share application money	-	(332,045,000)
Proceeds from long term and short term borrowings	26,327,531,530	19,762,913,984
Repayments of long term and short term borrowings	(15,834,341,347)	(8,667,715,731)
Movement of cash credits (net)	(239,779,823)	(110,518,816)
Proceeds from inter corporate deposits	114,000,000	1,025,000,000
Repayments of inter corporate deposits	(1,081,980,817)	(625,000,000)
Dividends and tax on dividend	(139,227,401)	(139,209,601)
Finance cost	(5,325,306,773)	(3,103,189,673)
<b>Net cash flow from financing activities (C)</b>	<b>3,820,895,369</b>	<b>8,118,330,163</b>
<b>D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,210,240,875</b>	<b>(577,995,178)</b>
Cash and cash equivalents as at the beginning of the period (refer note 19)^	207,837,556	785,650,473
Add: Foreign exchange translation reserve (movement)	23,906	182,261
<b>Cash and cash equivalents as at the end of the period (refer note 19)^</b>	<b>1,418,102,337</b>	<b>207,837,556</b>

^ Includes Rs. 285,640 (previous year Rs. 285,640) not available for use.

**Note:**

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements' as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014

As per our report of even date attached

For **B S R & Company**

Chartered Accountants

ICAI Firm Registration No :128032W

For and on behalf of Board of Directors

Sd/-

**Rudra Sen Sindhu**

Chairman cum Managing Director

DIN: 00006999

Sd/-

**Vir Sen Sindhu**

Jt. Managing Director

DIN : 00034773

Sd/-

**Pravin Tulsyan**

Partner

Membership No.: 108044

Sd/-

**Satish Kumar Sharma**

Company Secretary

Sd/-

**Sanjay Hasija**

Chief Finance Officer

Place : Gurgaon

Date : 18 July 2015

Place : Gurgaon

Date : 18 July 2015

## **ACB (India) Limited**

### **Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

#### **1. Background**

ACB (India) Limited ('the Company' or 'ACBIL') is a flagship company of Aryan Group. The Company was incorporated on 14 March 1997. The Company along with its subsidiaries, joint venture and associates is hereinafter referred to as the 'Aryan Group' or 'the Group'. The entities under the Aryan Group are engaged in the business of coal beneficiation, power generation, manufacture of coal beneficiation equipment and engineering, procurement and commissioning.

Primary business of the Group is beneficiation, sale of coal and sale of power. The Group has 19 washeries with operations in Chhattisgarh, Maharashtra, Telangana and Odisha.

Aryan Group is into power generation through 506 MW coal rejects based thermal power plants, 15 MW wind mill plant and 280 MW gas based thermal power plant. Power plants operations are mainly supported by Power Purchase Agreements (PPAs) with respective State Electricity Boards (SEBs).

#### **2. Significant accounting policies and significant notes**

##### **a. Basis of preparation of consolidated financial statements**

These consolidated financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The consolidated financial statements are presented in Indian Rupees.

##### **b. Principles of consolidation**

The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down under Accounting Standard 21 on "Consolidated Financial Statements" as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

- i)** The consolidated financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intra-company balances and intra-company transactions and also unrealised profits and losses in full in accordance with the Accounting Standard 21 on "Consolidated Financial Statements".
- ii)** The difference between the cost of investment in subsidiaries and its proportionate share in the equity of the investee company at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill is tested for impairment by the management on an annual basis.
- iii)** Share of the assets, liabilities, income and expenses of a jointly controlled entity is accounted for using proportionate consolidation method as specified under Accounting Standard-27 on "Financial Reporting of Interests in Joint Ventures" as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.
- iv)** In case of associates, where the Company, directly or indirectly through subsidiaries, holds more than 20% of equity are accounted for using equity method in accordance with Accounting Standard-23 – "Accounting for investments in associates in consolidated financial statements" as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

The Group accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealised profits and losses resulting from transactions between the respective



**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

company of the Group and its associates to the extent of its share, through its consolidated Statement of Profit and Loss to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance, based on available information.

The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be and is presented as part of the investments.

- v) The consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, and required in the same manner as the Company's separate financial statements. The financial statement of the foreign subsidiary is adjusted for the accounting principles and policies followed by the Company.
- vi) The companies considered in the consolidated financial statements are:

Name of the company	Date of becoming subsidiary/ associate / joint venture	Country of incorporation	% shareholding as at 31 March 2015	% shareholding as at 31 March 2014
<b>Subsidiaries:</b>				
Aryan Clean Coal Technologies Private Limited ('ACCTPL')	10 September 2003	India	100.00	100.00
Aryan Energy Private Limited ('AEPL')	24 August 2005	India	77.38	77.38
Kartikay Coal Washeries Private Limited ('KCWPL')	15 November 2005	India	64.88	64.88
Connoisseur Resources Limited, BVI ('CRL')	10 December 2007	British Virgin Islands	100.00	100.00
Aryan Chhattisgarh Power Generation Private Limited ('ACPGPL') #	09 May 2008	India	100.00	100.00
Aryan M.P. Power Generation Private Limited ('AMPPGPL') #	09 May 2008	India	100.00	100.00
Spectrum Coal and Power Limited ('SCPL')	30 March 2009	India	100.00	100.00
TRN Energy Private Limited ('TRNEPL') #	20 May 2009	India	74.00	74.00
ACB (India) Power Limited ('ACBIPL')	20 July 2010	India	100.00	100.00
SFI Parcel Services Private Limited ('SFIPSPL') #	20 July 2012	India	100.00	100.00
ACB (India) Coal Methane Private Limited	18 February 2013	India	51.00	51.00
Mccluskie Coal & Power Limited ('MCPL')	29 October 2013	India	51.00	51.00
S V Power Private Limited ('SVPOWER')@	13 March 2015	India	91.93	-
<b>Joint Venture:</b>				
Cellcap Securities Limited, BVI ('CSL')	26 September 2006	British Virgin Islands	50.00	50.00
M/s Spectrum Coal and Power Limited (in consortium with Global Coal and Mining Private Limited) ('SCPL-GCMPL')\$	08 November 2013	India	51.00	51.00
<b>Associates:</b>				
Global Coal and Mining Private Limited ('GCMPL')	04 September 2009	India	35.61	35.61
Spectrum Power Generation Limited ('SPGL')	21 June 2012	India	33.55	33.43

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

Name of the company	Date of becoming subsidiary/ associate / joint venture	Country of incorporation	% shareholding as at 31 March 2015	% shareholding as at 31 March 2014
Maruti Clean Coal and Power Limited ('MCCPL') *	20 July 2012	India	45.00	45.00
Swastik Power and Mineral Resources Private Limited ('SPMRPL') @	10 June 2013	India	26.00	26.00

# Subsidiaries of wholly owned subsidiary ACBIPL.

\* Associate through SFIPSPL.

\$ Joint Venture through SCPL.

@Subsidiary of wholly owned subsidiary SCPL.

**c. Use of estimates**

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the consolidated financial statements. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialized. Any revision to accounting estimates is recognised prospectively in current and future periods.

**d. Current–non-current classification**

All assets and liabilities are classified into current and non-current.

**i) Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- (1) It is expected to be realised in, or is intended for sale or consumption in, the normal operating cycle of the respective company of the Group;
- (2) It is held primarily for the purpose of being traded;
- (3) It is expected to be realised within 12 months after the reporting date; or
- (4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

**ii) Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- (1) It is expected to be settled in the normal operating cycle of the respective company of the Group;
- (2) It is held primarily for the purpose of being traded;
- (3) It is due to be settled within 12 months after the reporting date; or
- (4) The respective company of the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The respective company of the Group has ascertained its operating cycle being a period within 12 months for the purpose of classification of assets and liabilities as current and non-current.

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**e. Inventories (valued at lower of cost and net realisable value)**

Inventories are valued at lower of cost and net realisable value. The basis for determination of cost of various categories of inventory is as follows:

**i) Raw materials, components, store and spare parts**

Raw materials, components and store and spare parts are computed on first in first out basis (FIFO). Further in case of stores, raw materials and components held for use in production of finished goods are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed their net realizable value.

**ii) Finished goods (coal beneficiation equipment)**

Cost of finished goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition (including excise duty).

**iii) Fuel for thermal power plants:**

Fuel for thermal power plants are computed on first in first out basis (FIFO).

**iv) Coal owned by the Group:**

(1) Raw coal:

These are valued at cost of raw coal and cost incurred to bring the raw coal to its present location and condition, computed on first in first out basis (FIFO).

(2) Beneficiated coal:

These are valued at cost of raw coal as computed above and appropriate portion of processing and other overheads incurred to bring the beneficiated coal to its present location and condition.

(3) Coal rejects:

These consist of rejects generated out of coal beneficiation process and/or coal rejects purchased. The cost is ascertained by apportioning the total cost attributable to the category of coal generated/ purchased, considering appropriate basis.

(4) Blended coal:

These consist of blending of different categories of coal and valued at the proportionate value of inputs used.

**v) Work in progress**

*Raw coal and beneficiated coal belonging to the customer:*

Work in progress represents the cost incurred on beneficiation of coal on behalf of customers. This comprises cost towards raw coal transportation, beneficiation of raw coal and transportation of beneficiated coal to bring the coal to its present location and condition.

*Manufacture of coal beneficiation equipment*

Work in progress is valued at cost computed on FIFO basis and includes proportionate costs of conversion incurred in bringing the inventory to their present location and condition.

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**f. Revenue recognition**

**i) Coal operations:**

*Coal beneficiations and allied receipts:*

Revenue from coal beneficiation and allied receipts is recognised on attainment of the said activity. Such activity is regarded as being attained when no significant uncertainty exists regarding the amount of consideration that will be derived from the performance of such activity and the activity is completed or substantially completed. The amount recognised as revenue is exclusive of service tax and is net of returns.

*Sale of coal:*

Revenue from sale of coal is recognised when coal is dispatched to the customers, which coincides with the transfer of significant risks and rewards. The amount recognised as revenue is exclusive of Sales Tax and is net of returns.

*Service income:*

Service income represents income from handling of coal and rent from use of the railway siding of Aryan Group. These are recognised on accrual basis as per the terms of agreement with the customers.

**ii) Power operations:**

*Sale of thermal power and wind power:*

Revenue from sale of thermal power and wind power is recognised based on tariffs as per the terms of the Power Purchase Agreements and arrangements entered into with respective customers.

**iii) Engineering, procurement and construction:**

Revenue from long-term construction contracts in accordance with Accounting Standard-7 on "Construction Contracts" is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost or completion of a physical portion of the contract work depending on the nature of contract, whichever is appropriate. Where the total cost of the contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year.

**iv) Manufacture of equipment**

*Sale of goods:*

Revenue from sale of goods is recognized on transfer of significant risks and rewards of ownership to the customer which coincides with the dispatch of goods to the customers in accordance with the contract terms. The sales are shown net of sales tax and sales return.

**v) Other income**

*Interest income:*

Interest income is recognised on a time proportion basis considering the contracted rate of return.

*Dividend income:*

Dividend income is recognised when the shareholders' right to receive payment is established.

## **ACB (India) Limited**

### **Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

#### **g. Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred upto the date of commissioning of the assets. Fixed assets under construction, and cost of asset not ready to use before the reporting date are disclosed as capital work in progress. Assets held for disposal are stated at their estimated residual values as at the Consolidated Balance Sheet date.

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, such costs are allocated to respective fixed assets.

##### *For assets used for power operations:*

Pursuant to Part 'B' of Schedule II to the Act, the useful life or residual value of any specific asset, as notified for accounting purposes by a Regulatory Authority constituted under an Act of Parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule.

Ministry of Power, Government of India vide resolution dated 6th January 2006, has notified Tariff Policy in terms of section 3 of the Electricity Act, 2003. The said Tariff Policy inter alia provides that rates of depreciation as notified by Central Electricity Regulatory Commission (CERC) would be applicable for the purpose of tariffs as well as accounting. CERC has also notified the rates of depreciation as well as methodology for computing such depreciation and depreciation is to be provided up to 90% of the cost of asset, based on straight line method of calculating the depreciation.

##### *For assets used for coal beneficiation operations and others:*

Upto 31 March 2014, depreciation was provided on pro-rata basis as per written down value (WDV) method at the rates prescribed under Schedule XIV of the Companies Act, 1956 and assets individually costing upto Rs. 5,000 were fully depreciated in the year of purchase.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rate on certain fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended on 31 March 2015 is higher by Rs. 259,610,027, which includes an amount of Rs. 25,117,205 in respect of assets whose useful life is already exhausted as on 1 April 2014.

##### *Leasehold assets:*

Leasehold assets are amortised over the period of lease. Leasehold improvements are amortised over the remaining period of lease or the useful lives of assets as determined by the management in accordance with the policy stated above, whichever is shorter.

#### **h. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**i. Foreign currency transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the Consolidated Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Consolidated Statement of Profit and Loss.

The premium or discount that arises on entering into a forward exchange contract for hedging is measured by the difference between the exchange rate at the date of the inception of the forward exchange contract and the forward rate specified in the contract and is amortised as expense or income over the life of the contract. Exchange difference on a forward exchange contract is the difference between (a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and (b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date.

*Non-integral operations*

The financial statements of the foreign non integral subsidiary and joint venture (collectively referred to as the 'foreign non integral operations') are translated into Indian Rupees as follows:-

- Share capital and opening reserves and surplus are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at Balance Sheet date.
- Profit and Loss items are translated at the respective yearly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- Contingent liabilities are translated at the closing rates at Balance sheet date.
- The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

The items of Consolidated Cash Flow Statement are translated at the respective average rates (for profit and loss related items and annual for Balance Sheet related items) or the exchange rate approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

*Derivative instruments:*

Apart from foreign exchange contracts taken to hedge existing assets or liabilities, the respective company of the Group also uses the derivatives to hedge its foreign currency risk exposures relating to firm commitments and highly forecast transactions. In accordance with relevant announcements of the Institute of Chartered Accountants of India, the respective company of the Group provides for losses in respect of such outstanding derivative contracts at the Consolidated Balance Sheet date by marking them to market. Net gain, if any, is not recognised. The contracts are aggregated category-wise, to determine the net gain or loss.

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**j. Employee benefits**

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

**Defined contribution plans:** A defined contribution plan i.e. provident fund is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**Defined benefit plans:** A defined benefit plan i.e. gratuity, is a post-employment benefit plan.

The net obligation of respective company of the Group in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employee have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Consolidated Balance Sheet date, having maturity periods approximating to the terms of related obligations. The calculation is performed annually by an independent actuary using the projected unit credit actuarial method. When the calculation results in a benefit to the respective company of the Group, the asset is recognised only to the extent of the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

SCPL has taken a group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity. Liability with respect to the Gratuity plan is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount as per LIC and the actuarial valuation is charged to Consolidated Statement of Profit and Loss.

Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other long term employee benefits:

Benefits under the SCPL's leave encashment policy constitute other long-term employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the period end. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

**k. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits with banks with original maturity of three months or less.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**l. Borrowing costs**

Borrowing costs are interest, ancillary cost and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs incurred by the respective company of the Group in connection with the borrowing of funds.

Borrowing costs (net of income on the temporary investment of those borrowings) that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a period of one year or more to get ready for its intended use. All other borrowing costs are charged to revenue.

**m. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease payments under operating lease arrangements are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term.

**n. Earnings per share**

Basic earnings per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the year, except where results would be anti-dilutive.

**o. Taxes**

Income-tax expenses comprise current tax (i.e. the amount of tax for the year determined in accordance with the Income-tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax implications of timing differences, that originate during the tax holiday period and reverse after the tax holiday period are recognised in the year in which timing differences originate.

***Minimum Alternative Tax (MAT)***

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the respective company of the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The respective company of the Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the respective company of the Group will pay normal income tax during the specified period.



**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**p. Impairment of assets**

The carrying amounts of assets are reviewed at each Consolidated Balance Sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

**q. Provisions and contingencies**

The respective company of the Group recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the year end. These are reviewed at each Consolidated Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Aryan Group. Contingent liabilities are also disclosed for present obligations in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote, no disclosure or provision is made.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***3. Share capital**

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
<i>Authorised share capital</i>				
Equity shares of Rs. 10 each	1,000,000,000	10,000,000,000	1,000,000,000	10,000,000,000
<i>Issued, subscribed and fully paid up</i>				
Equity shares of Rs. 10 each	238,005,728	2,380,057,280	238,005,728	2,380,057,280
		<b>2,380,057,280</b>		<b>2,380,057,280</b>

**a. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year:**

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	238,005,728	2,380,057,280	238,005,728	2,380,057,280
<b>At the end of the year</b>	<b>238,005,728</b>	<b>2,380,057,280</b>	<b>238,005,728</b>	<b>2,380,057,280</b>

**b. Term and rights attached to fully paid up equity shares:**

The Company has only one type of equity shares having par value of Rs.10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The Company pays and declares dividends in Indian currency. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c. Details of shareholders holding more than 5% shares in the Company:**

Names	As at 31 March 2015		As at 31 March 2014	
	No. of shares	% age of shares held	No. of shares	% age of shares held
Pineridge Investment Limited	52,162,514	21.92	52,162,514	21.92
Rudra Sen Sindhu (Chairman and Managing Director)	39,464,455	16.58	39,464,455	16.58
Vir Sen Sindhu (Jt. Managing Director)	27,510,211	11.56	27,510,211	11.56
Kuldeep Singh Solanki (Director)	27,360,280	11.50	27,360,280	11.50
Vrit Pal Sindhu (Director)	16,932,117	7.11	16,932,117	7.11
<b>Total</b>	<b>163,429,577</b>	<b>68.67</b>	<b>163,429,577</b>	<b>68.67</b>

**d. Aggregate number of shares issued for consideration other than cash during five years immediately preceding the Balance Sheet date:**

	31-Mar-2015	31-Mar-2014	31-Mar-2013	31-Mar-2012	31-Mar-2011
Equity shares of Rs. 10 each allotted as bonus shares	-	-	-	-	118,741,564

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***4. Reserves and surplus**

	<b>As at 31 March 2015</b>	<b>As at 31 March 2014</b>
<b>Securities premium account</b>		
Opening balance	3,041,672,922	3,041,672,922
Add: addition during the year (refer note 31)	1,144,780,000	-
<b>Closing balance</b>	<b>4,186,452,922</b>	<b>3,041,672,922</b>
<b>Debenture redemption reserve</b>		
Opening balance	37,928,906	37,928,906
Add: addition during the year	119,175,347	-
<b>Closing balance</b>	<b>157,104,253</b>	<b>37,928,906</b>
<b>General reserve</b>		
Opening balance	471,876,046	449,209,109
Add: Appropriation from surplus in the Statement of Profit and Loss	-	22,666,937
<b>Closing balance</b>	<b>471,876,046</b>	<b>471,876,046</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening balance	14,896,355,993	13,058,488,324
Add:		
Profit for the year	3,183,777,562	1,763,009,188
Share in profit of associate upto 31 March 2013 (refer note 2(b)(vii))	-	274,681,725
Less: Appropriations		
-Transfer to general reserve	-	22,666,937
-Proposed dividend [Rs. 0.50 (previous year Rs. 0.50) per share]	119,002,864	119,002,864
-Tax on dividend	24,226,183	20,224,537
-Debenture redemption reserve	119,175,347	37,928,906
<b>Net surplus in the Statement of Profit and Loss</b>	<b>17,817,729,161</b>	<b>14,896,355,993</b>
<b>Capital Reserve</b>	<b>566,162,927</b>	<b>566,162,927</b>
<b>Capital reserve on consolidation of subsidiaries</b>		
Opening balance	61,601,887	59,163,820
Add: additions during the year	-	2,915
Add: restatement of opening balance on account of exchange rate	1,061,914	2,435,152
<b>Closing balance</b>	<b>62,663,801</b>	<b>61,601,887</b>
<b>Foreign currency translation reserve</b>		
Opening balance	351,670,450	135,112,703
Add: additions during the year	61,593,137	216,557,747
<b>Closing balance</b>	<b>413,263,587</b>	<b>351,670,450</b>
<b>Total reserves and surplus</b>	<b>23,675,252,697</b>	<b>19,427,269,131</b>

**5. Minority interest**

	<b>As at 31 March 2015</b>	<b>As at 31 March 2014</b>
Opening balance	1,672,800,939	882,436,239
Add:		
-Profit for the year	22,068,323	44,111,352
-Adjustment in respect of change in minority interest	80,072,999	746,253,348
<b>Closing balance</b>	<b>1,774,942,261</b>	<b>1,672,800,939</b>

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**6. Long-term borrowings**

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Total		Non-current portion		Current maturities	
<b>Secured debentures:</b>						
Non-convertible debentures [refer footnote (a)]	2,550,000,000	1,600,000,000	2,550,000,000	1,600,000,000	-	-
	<b>2,550,000,000</b>	<b>1,600,000,000</b>	<b>2,550,000,000</b>	<b>1,600,000,000</b>	-	-
<b>Secured term loans:</b>						
-From banks [refer footnote (b)]	34,656,489,806	24,695,513,683	31,056,713,794	21,321,460,919	3,599,776,012	3,374,052,764
-From others [refer footnote (c)]	1,491,226,475	435,200,000	1,487,471,675	402,800,000	3,754,800	32,400,000
	<b>36,147,716,281</b>	<b>25,130,713,683</b>	<b>32,544,185,469</b>	<b>21,724,260,919</b>	<b>3,603,530,812</b>	<b>3,406,452,764</b>
<b>Unsecured term loans:</b>						
-From others [refer footnote (d)]	180,000,000	240,000,000	90,000,000	180,000,000	90,000,000	60,000,000
	<b>180,000,000</b>	<b>240,000,000</b>	<b>90,000,000</b>	<b>180,000,000</b>	<b>90,000,000</b>	<b>60,000,000</b>
Less: amount disclosed under the head "other current liabilities" (refer note 8)					3,693,530,812	3,466,452,764
	<b>38,877,716,281</b>	<b>26,970,713,683</b>	<b>35,184,185,469</b>	<b>23,504,260,919</b>	-	-

**Footnotes:**

**(a) Secured debentures**

**Nature of security**

i) Rs. 550,000,000 (previous year Rs. 550,000,000) is secured by way of property being land measuring 5.209 hectares situated at village Dipka, Tehsil Khatgora, Chhattisgarh and property being land measuring 2.201 hectares situated at village Dipka, Tehsil Khatgora, Chhattisgarh and movable fixed assets, both present and future, in respect of 6.25 MTPA Coal Washery at Gevra, Chhattisgarh.

ii) Rs. 950,000,000 (previous year Rs. 950,000,000) is secured by way of property being land measuring 13.247 hectares situated at village Batari, Tehsil Kaithora, Chhattisgarh together with all buildings and structures hereon attached to the earth or permanently fastened to anything attached to the earth both present and future and land measuring 64 Kanal 18 Marlas situated at Salawas, Tehsil & Dist Rewari, Haryana belonging to Aryan Clean Coal Technologies Private Limited (ACCPTPL), a subsidiary company, together with all building structures plant and machinery attached to the earth, both present and future, and movable assets of the ACCPTPL's at village Salawas, Tehsil & Dist Rewari, Haryana including plant and machinery both tangible & intangible more particularly described in Schedule II to Deed Hypothecation.

iii) Rs. 100,000,000 (previous year Rs. 100,000,000) is secured by way of Pari passu first charge on the movable properties of the Talcher, Odisha coal washery plant of Aryan Energy Private Limited, a subsidiary company.

iv) Rs. 350,000,000 (previous year Rs. Nil) is secured by way of mortgage by deposit of title deeds created in respect of property being land measuring Acre 7.39 decimal together with all buildings and structures and all plant and machinery of the Talcher, Odisha coal washery plant of Aryan Energy Private Limited, a subsidiary company.

v) Rs. 600,000,000 (previous year Rs. Nil) will be secured as per the terms of Self Disclosure Document filed with BSE Limited.

**(b) Secured term loans from banks**

**Nature of security**

i) Foreign currency loans amounting to Rs. 1,522,093,184 (previous year Rs. 2,187,662,684) are secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future along with other lenders. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets.

ii) Rs. 610,166,667 (previous year Rs. 1,101,833,334) is secured by way of first and exclusive charge on assets of 30MW Extension Power Project and post dated cheques for repayment of interest and principal.

iii) Rs. 900,000,000 (previous year Rs. 2,000,000,000) consisting of Tranche A of Rs. 110 crores and Tranche B of Rs. 90 crores. Tranche A is secured by way of first pari passu charge on fixed assets of 50MW Power Plant of Spectrum Coal and Power Limited (a subsidiary of the Company) located at Ratija, Chhattisgarh and second charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group. Tranche B of Rs. 90 crores is secured by way of first charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group.

iv) Rs. 533,333,333 (previous year Rs. 933,333,333) is secured by way of collateral security of first exclusive charge on movable fixed assets of Dipka washery of the Company, fixed assets of Wani washery of Kartikay Coal Washeries Private Limited, a subsidiary company and fixed assets of Talcher washery of Aryan Energy Private Limited, a subsidiary company and Power Limited (a subsidiary of the Company) located at Ratija, Chhattisgarh and second charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group. Tranche B of Rs. 90 crores is secured by way of first charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group.

v) Rs. 333,333,333 (previous year Rs. 500,000,000) is secured by way of exclusive charge on residential property measuring 375 sq. yards in the name of Shyam Indus Urja Private Limited situated at 27, Rajdoot Marg, Chanakya Puri, New Delhi. Further secured by way of corporate guarantee of Shyam Indus Urja Private Limited.

vi) Term loan of Rs. 577,500,000 (previous year Rs. 787,500,000) from ICICI bank is secured by way of exclusive charge on fixed assets of coal washery plant located at Talcher, Orissa and second charge on fixed assets of 50 MW power plant located at Ratija, Chhattisgarh. ACB (India) Limited, the holding company has pledged 30% of the total issued share capital of the Company as security against this.

vii) Term loan of Rs. 440,000,000 (previous year Rs. 600,000,000) from ICICI bank is secured by pari passu charge by way of hypothecation charge on plant and machinery and other movable fixed assets both present and future of the coal washery located at Ratija and Talcher plant.

viii) Foreign currency loan of Rs. 417,272,083 (previous year Rs. 801,330,707) from Standard Chartered Bank is secured by first exclusive charge over the fixed assets including Building of the power project, land measuring 45.57 acres approx. to be on pari passu basis and first and exclusive charge over entire current assets of the project.

ix) Rupee term loan amounting to Rs. 18,537,620,843 (previous year : Rs. 10,291,520,843) is secured by first pari passu charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets present and future of the company. Further, pledge of shares of the borrowers held by sponsors till COD of Ist unit and thereafter 51% share holding of the borrower till currency of facility. Further secured by irrevocable corporate guarantee of ACB (India) Limited to the extent of Secured obligations till COD/Signing of FSA whichever is later.

x) Rupee term loan amounting to Rs. 18,537,620,843 (previous year : Rs. 10,291,520,843) is secured by first pari passu charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets present and future of the company. Further, pledge of shares of the borrowers held by sponsors till COD of Ist unit and thereafter 51% share holding of the borrower till currency of facility. Further secured by irrevocable corporate guarantee of ACB (India) Limited to the extent of Secured obligations till COD/Signing of FSA whichever is later.

**Terms of repayment of principal and interest**

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 31 July 2013. Interest is payable semi-annually @ 11.50% p.a. on January 31 and July 31 every year and on redemption.

1. Debentures of Rs. 50 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 31 October 2013. Interest is payable annually @ 12.25% p.a. on October 31 every year and on redemption.  
2. Debentures of Rs. 10 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 11 December 2013. Interest is payable annually @ 12.25% p.a. on December 11 every year and on redemption.  
3. Debentures of Rs. 35 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 20 January 2014. Interest is payable annually @ 12.25% p.a. on January 20 every year and on redemption.

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 28 March 2014. Interest is payable annually @ 12.25% p.a. on March 28 every year and on redemption.

1. Debentures of Rs. 25 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 5 June 2014. Interest is payable annually @ 12.25% p.a. on June 06 every year and on redemption.  
2. Debentures of Rs. 10 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 25 June 2014. Interest is payable annually @ 12.25% p.a. on June 25 every year and on redemption.

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 18 March 2015. Interest is payable annually @ 11% p.a. on March 17 every year and on redemption.

**Terms of repayment of principal and interest**

Foreign currency term loans from banks are repayable in 24 quarterly installments starting from December 2010 in accordance with External Commercial Borrowings loan agreement along with interest rate at LIBOR plus 2.40%. The interest cost is hedged at 9.40% p.a.

Repayable in 12 equated quarterly installments starting from February 2014 along with interest rate at LIBOR plus 3%. The interest cost is hedged at 9.90% p.a.

Repayable in 20 equated quarterly installments starting from February 2016 along with interest rate at I-base plus 3.5%.

Repayable in 30 equated monthly installments starting from February 2014 along with interest at Base Rate (BR) plus 1.00%.

Repayable in 12 equated quarterly installments starting from June 2014 along with interest at Base Rate (BR) plus 2.50%.

Repayable in 20 equal quarterly installment starting from March 2013 and interest is due on monthly basis at interest rate at base rate + spread of 3.50% p.a.

Repayable in 20 equal quarterly installment starting from March 2013 and interest is due on monthly basis at interest rate at base rate + spread of 3.75% p.a.

Repayable in 6 equal half yearly installment starting from August 2013 and interest is due on half yearly basis i.e. in February and August @ 10.75% p.a.

Repayable in 40 equal quarterly instalments starting from June 2016 along with range of interest @ base rate + 3.25% to base rate + 4.5%.

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**6. Long-term borrowings**

**Nature of security**

x) Rupee term loans amounting to Rs. Nil (previous year Rs. 1,818,566,219) were secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future along with other lenders. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

xi) Rupee term loans amounting to Rs. Nil (previous year Rs. 1,884,977,698) was secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

xii) Rs. Nil (previous year Rs. 125,000,000) was secured by way of exclusive charge on all movable and immovable fixed assets of Hemgir washery (both present and future). First charge over cash flows of the Hemgir washery.

xiii) Rs. Nil (previous year Rs. 1,312,500,000) was secured by way of exclusive charge on fixed assets of coal washeries located at Binjhari and Chakabura, Chhattisgarh, 15MW Wind Power Project located at Sangli, Maharashtra and 30MW Thermal Power Plant located at Chakabura, Chhattisgarh.

xiv) Rs. Nil (previous year Rs. 736,718) is secured by first and exclusive charge on specific vehicles/equipment.

xv) Rupee term loan from banks amounting to Rs. 1,086,082,733 is secured by first charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets present and future of the company. Further, Pledge of entire equity shares of the borrowers held by Sponsors and IL&FS Energy Development Company Limited till currency of facility. Further secured by irrevocable and unconditional corporate guarantee of ACB (India) Limited to the extent of Additional loan of Rs. 73.00 Crores till the currency of the facility and in addition, secured by irrevocable and unconditional corporate guarantee of ACB (India) Limited to the extent of Rs. 50.00 Crores for a period of 4 years subject to performance of the Borrower to the satisfaction of lenders. Also secured by irrevocable and unconditional corporate guarantee of Mr. K.Vijay Kumar to the extent of Rs. 10.00 Crores for a period of 2 years subject to performance of the Borrower to the satisfaction of lenders.

The above said security except Pledge of shares and Corporate Guarantee by ACB (India) Limited for Rs. 73.00 Crores shall rank pari-passu amongst the term lenders and working capital lenders of the Borrower.

xvi) Foreign currency loan of Rs. Nil (previous year Rs. 350,582,147) from Standard Chartered Bank is secured by way of first and exclusive charge on plant and machinery and other movable and immovable fixed assets pertaining to power project, tangible or intangible, present or future and project current assets.

Further, secured by way of personal guarantee of Ex. Capt. Kuldeep Singh Solanki and Ex. Capt. Rudra Sen Sindhu, directors of ACB (India) Limited, the holding company and letter of comfort of ACB (India) Limited, the holding company.

xvii) Rs. 935,000,000 (previous year Rs. Nil) is secured by way of exclusive charge on all the movable and immovable fixed assets, both present and future, of the coal washery plant located at Hemgir, Odisha. Further secured by way of subservient charge on all the current assets of the Company and pari passu charge by way of equitable mortgage of Flat No. 18, I and II floor and Flat No. 3 situated at Vasant Enclave, Delhi.

xviii) Term loan of Rs. 600,000,000 (previous year Rs. Nil) from Axis bank is secured by first charge on plant and machinery and other movable and immovable fixed assets pertaining to 50 MW extension project and pari passu charge on all current assets of existing 50 MW Power Plant (Phase 1) shall also be shared with existing working capital (WC) limits of Rs. 225 crores from ICICI Bank and Bank of India.

Further secured by way of corporate guarantee of ACB (India) Limited till one year of successful operation after achievement of Date of commencement of commercial operation of the project.

xix) Rs. 1,316,166,445 (previous year Rs. Nil) is secured by first charge on all the immovable and movable properties, current assets, operating cash flows, receivables, commission, revenue of whatsoever nature and whenever arising, present and future intangibles, goodwill, uncalculated capital of the 270MW coal washeries reject based power project at korba, chhattisgarh. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders, New Delhi. Further secured by way of corporate guarantee of Shyam Indus Urja Private Limited.

xx) Rs. 1,292,500,000 (previous year Rs. Nil) is secured by way of exclusive charge by way of hypothecation on Plant and Machinery and other movable fixed assets, both present and future, of 15MW Wind Mill Power Plant located at Sangli, Maharashtra and Coal washery plants located at Binjhari and Chakabura in Chhattisgarh. Further secured by way of exclusive charge by way of equitable mortgage on Land and Building 15MW Wind Mill Power Plant located at Sangli, Maharashtra and Coal washery plants located at Binjhari and Chakabura in Chhattisgarh.

xxi) Rs. 2,474,700,000 (previous year Rs. Nil) is secured by way of first pari passu charge on all movable and immovable properties, current assets, both present and future of 270MW Power Plant.

xxii) Rs. 445,000,000 (previous year Rs. Nil) is secured by way of first pari passu charge of movable Fixed assets of Dipka Washery.

xxiii) Rs. 731,021,185 (previous year Rs. Nil) is secured by way of first pari passu charge on all movable and immovable properties, current assets, both present and future of 270MW Power Plant.

xxiv) Rs. 974,700,000 (previous year Rs. Nil) is secured by way of first pari passu charge on current asset of 270MW Power Plant.

xxv) Term loan of Rs. 130,000,000 (previous year Rs. Nil) from Yes bank for refinancing of ICICI debt and capital expenditure from is secured by first pari passu charge by way of hypothecation charge on plant and machinery and other movable fixed assets both present and future of the coal washery located at Raizta and Talcher plant.

xvi) Term loan of Rs. 800,000,000 (previous year Rs. Nil) from Axis bank is secured by first charge on plant and machinery and other movable and immovable fixed assets pertaining to 50 MW extension project and pari passu charge on all current assets of existing 50 MW Power Plant (Phase 1) to be shared with existing WC limits of Rs. 225 crores from ICICI Bank and Bank of India.

Further secured by way of corporate guarantee of ACB (India) Limited till one year of successful operation after achievement of Date of commencement of commercial operation of the project.

**Terms of repayment of principal and interest**

Loans have been repaid during the year.

Loans have been repaid during the year.

Loan has been repaid during the year.

Loans have been repaid during the year.

Loans has been repaid during the year.

(a) Loan amounting to Rs. 404,549,830 from Indian Bank is repayable in 53 structured quarterly installment starting from 15th March 2015. Interest rate for the loan shall be fixed at 11% p.a. for the first 5 years from the date of first disbursement of additional loan. After 5 years from the date of first disbursement of additional loan, Interest rate of the loan shall be the Benchmark Rate plus spread.

(b) Loan amounting to Rs. 681,532,903 from State Bank of India is repayable in 53 structured quarterly installment starting from 15th March 2015. Interest rate for the loan shall be fixed at 11% p.a. for the first 5 years from the date of first disbursement of additional loan. After 5 years from the date of first disbursement of additional loan, Interest rate of the loan shall be the Benchmark Rate plus spread.

Loan has been repaid during the year.

Repayable in 20 quarterly installments starting from 5 September 2014 along with interest at Base Rate ('BR') plus 0.75%.

Repayable in 32 equal quarterly installment starting from December 2017 and interest is due on monthly basis at interest rate at base rate + spread of 1.85 p.a.

Tranche A is repayable in 41 quarterly structured instalment and Tranche B is repayable in 20 quarterly structured instalment.

Rs. 330,000,000, repayable in 15 equated quarterly installments starting from 25 August 2014 along with interest at Base Rate ('BR') plus 1.50%.  
 Rs. 962,500,000, repayable in 15 equated quarterly installments starting from 24 May 2014 along with interest at Base Rate ('BR') plus 2.15%.

Rs. 974,700,000, repayable in 41 structured quarterly installments starting from 31 December 2014 along with interest at Base Rate ('BR') plus 2.15%.  
 Rs. 1,500,000,000, repayable in 20 equated quarterly installments starting from 7 February 2016 along with interest at Base Rate ('BR') plus 2.15%.

Repayable in 12 equated quarterly installments starting from May 2015 along with interest at Base Rate ('BR') plus 0.75 %.

Repayable in 20 quarterly installments starting from 30 September 2014 along with interest at HDFC Bank's Base Rate ('BR') plus 2.15%.

Repayable in 39 quarterly installments starting from 31 March 2015 along with interest at HDFC Bank's Base Rate ('BR') plus 2.15%.

Repayable in 23 equal quarterly installment starting from June 2013 and interest is due on monthly basis at interest rate at base rate + spread of 0.75% p.a.

Repayable in 12 equal quarterly installment starting from December 31, 2017 and interest is due on monthly basis at interest rate at base rate + spread of 1.85 p.a.

6. Long-term borrowings

(c) Secured term loans from others

Nature of security

i) Rupee term loan of Rs. Nil (previous year Rs.435,200,000) was secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

ii) Rupee term loan of Rs. 1,491,226,475 is secured by first charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets present and future of the company. Further, Pledge of entire equity shares of the borrowers held by Sponsors and IL&FS Energy Development Company Limited till currency of facility. Further secured by irrevocable and unconditional corporate guarantee of ACB (India) Limited to the extent of Additional loan of Rs. 73.00 Crores till the currency of the facility and in addition, secured by irrevocable and unconditional corporate guarantee of ACB (India) Limited to the extent of Rs. 50.00 Crores for a period of 4 years subject to performance of the Borrower to the satisfaction of lenders. Also secured by irrevocable and unconditional corporate guarantee of Mr. K.Vijay Kumar to the extent of Rs. 10.00 Crores for a period of 2 years subject to performance of the Borrower to the satisfaction of lenders.

The above said security except Pledge of shares and Corporate Guarantee by ACB (India) Limited for Rs. 73.00 Crores shall rank pari-passu amongst the term lenders and working capital lenders of the Borrower.

Terms of repayment of principal and interest

Loan has been repaid during the year.

(a) Loan amounting to Rs. 1,038,076,475 from IDFC is repayable in 53 structured quarterly installment starting from 15th March 2015. Interest rate for the loan shall be fixed at 11% p.a. for the first 5 years from the date of first disbursement of additional loan. After 5 years from the date of first disbursement of additional loan, Interest rate of the loan shall be the Benchmark Rate plus spread.

(b) Loan amounting to Rs. 453,150,000 from Phoenix ARC is repayable in 30 structured quarterly installment starting from 15th March 2015. Interest rate for the loan shall be fixed at 11% p.a. for the first 5 years from the date of disbursement of the additional loan.

(d) Unsecured term loans from others

i) Inter Corporate Deposits are unsecured. The ICD are taken at the interest rate of 9% per annum, half yearly compounded. The repayment schedule is given below:-

Installment	Amount payable to the lender	Date of repayment
1	45,000,000	30-June-2015
2	45,000,000	31-December-2015
3	90,000,000	15-October-2016
<b>Total</b>	<b>180,000,000</b>	

\* No principle or interest is due for repayment as at the balance sheet date.

3. The Group did not have any continuing defaults as on the balance sheet date in repayment of loans and interest.

ACB (India) Limited

Notes to consolidated financial statements for the year ended 31 March 2015  
(All amounts are in Rupees, unless otherwise stated)

7. Deferred tax liabilities (net)

	As at 31 March 2015	As at 31 March 2014
<b>Deferred tax liabilities arising on account of</b>		
Fixed assets (refer note 43)	1,391,850,482	1,536,354,975
<b>Less: Deferred tax assets arising on account of</b>		
Provision for gratuity	39,336,821	25,945,341
Provision for compensated absences	7,903,823	6,497,874
Provision for bonus	4,638,307	3,169,044
Provision for slow-moving/non-moving inventory	-	457,430
Brought forward business losses and unabsorbed depreciation	-	25,845,554
	<u>51,878,951</u>	<u>61,915,243</u>
<b>Net deferred tax liability</b>	<u><u>1,339,971,531</u></u>	<u><u>1,474,439,732</u></u>

8. Other liabilities

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	<u>Long-term</u>		<u>Current</u>	
Current maturities of long term borrowings (refer note 6)	-	-	3,693,530,812	3,466,452,764
Interest accrued but not due on borrowings	-	-	173,855,323	131,786,674
Interest accrued and due on borrowings	-	-	237,149,039	118,108,950
Interest accrued and due on inter corporate deposits	-	-	-	14,380,274
Advances from customers	-	-	84,868,096	18,864,740
Revenue billed in advance	-	-	-	4,584,101
Book overdraft	-	-	3,458,505	1,155,304
Other payables				
-Creditors for capital purchases	-	-	629,697,251	2,379,897,527
-Statutory dues payables	-	-	256,648,371	403,918,327
-Accrued expenses	-	-	-	28,090
-Retention/security deposits	2,306,280,467	1,893,759,573	142,928,876	259,949,248
-Dues to employees	-	-	65,286,936	76,542,288
-Others	-	-	5,311,588	8,212,762
	<u>2,306,280,467</u>	<u>1,893,759,573</u>	<u>5,292,734,797</u>	<u>6,883,881,049</u>

9. Provisions

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	<u>Long-term</u>		<u>Short-term</u>	
Provision for employee benefits				
-Provision for gratuity [refer note 35 (b)]	119,713,724	76,605,288	10,493,556	5,888,710
-Provision for compensated absences	8,145,461	7,794,821	16,834,848	12,623,349
Proposed dividend	-	-	119,002,864	119,002,864
Provision for corporate dividend tax	-	-	24,226,183	20,224,537
Provision for income tax	-	-	21,123,418	6,751,618
Provision for wealth tax	-	-	334,245	37,151
	<u>127,859,185</u>	<u>84,400,109</u>	<u>192,015,114</u>	<u>164,528,229</u>

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**10. Short term borrowings**

	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>
<b>Secured loans:</b>		
-cash credits from banks	2,057,839,844	2,218,892,565
-other loans from banks	1,650,000,000	2,500,000,000
-Buyers credit	3,691,069,638	2,509,825,269
<b>Unsecured loans:</b>		
-Inter-corporate deposits received repayable on demand	129,709,597	400,000,000
	<u><u>7,528,619,079</u></u>	<u><u>7,628,717,834</u></u>

**Footnote:**

**Nature of security for cash credits and working capital demand loans**

(i) Cash Credit and demand loans for an amount of Rs. 2,972,016,285 (previous year Rs. 3,972,245,383) of the Company are secured by way of first pari passu charge on current assets of the Company with working capital lenders in a multiple banking arrangement. Further, collateral security provided by way of first pari passu charge with working capital lenders on land/ building, plant and machinery of Panderpauni Plant and residential properties of the Company situated at Flat No 3 and 18, Vasant Enclave, New Delhi.

(ii) Cash credit and working capital facilities for an amount of Rs. 14,821,050 (previous year Rs. 37,247,853) of ACCTPL from banks carry interest ranging between from 12.5% to 13.5% computed on a monthly basis on the actual amount utilized, are repayable on demand. These are secured by the hypothecation on inventories and book debts both present and future. Further, ACB (India) Limited, (the holding company) has also tendered a guarantee to the bank towards the credit facility extended to the Company.

(iii) Cash credit and working capital facilities for an amount of Rs. 147,412,133 (previous year Rs. 68,685,031) of AEPL from banks carry interest at the rate of 12.5% per annum computed on monthly basis on the actual amount utilized, are repayable on demand. These are secured by hypothecation of inventories and book debts both present and future. First charge on all movable and immovable fixed assets of washery situated at Gauri, Maharashtra and movable fixed assets of washery situated at Ramakrishnapuram-I. Second charge on movable and immovable fixed assets of the company except for the washery situated at Gauri and Ramakrishnapuram-I. Negative lien on corporate office of ACB (India) Limited, 7th Floor, corporate tower, Ambience mall, NH-8, Gurgaon jointly owned by ACB (India) Limited, Sainik Mining and Allied services and Global Coal and Mining Private Limited.

(iv) Cash credit for an amount of Rs. 573,590,376 (previous year Rs. 640,714,298) of SCPL from ICICI bank carries an interest of bank base rate plus 3.25 % p.a., computed on a monthly basis on the actual amount utilized, and are repayable on demand. These are secured by way of exclusive charge on entire current assets (both present and future) of SCPL.

(v) Buyer's credits for an amount of Rs. 3,691,069,638 (previous year Rs. 2,509,825,269) of TRNEPL are secured by first charge by way of mortgage/hypothecation of all movable/immovable properties and assets, all book debts commission and other revenues, intangible assets present and future of the TRNEPL. Further, pledge of shares of TRNEPL held by sponsors till COD of 1st unit and thereafter 51% share of holding of the borrower till currency of facility. Further secured by irrevocable corporate guarantee of the Company to the extent of Promotor's equity infusion till commercial operation date. These buyers' credits are payable on demand (yearly review) with interest at 6 months to 12 months LIBOR + bppa ranging from 30 to 120.

**11. Trade payables**

	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>
Trade payables	1,475,127,224	855,136,220
	<u><u>1,475,127,224</u></u>	<u><u>855,136,220</u></u>



## ACB (India) Limited

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

## 12. Fixed assets

## As at 31 March 2015

Particulars	Gross block					Accumulated depreciation / amortisation					Net block
	As at 1 April 2014	Additions pursuant to acquisition of a subsidiary##	Additions	Deletions/ adjustments	As at 31 March 2015	As at 1 April 2014	Additions pursuant to acquisition of a subsidiary##	For the year *#	Deletions/ adjustments	As at 31 March 2015	As at 31 March 2015
<b>Tangible assets</b>											
Freehold land	617,835,693	-	33,334,015	-	651,169,708	-	-	-	-	-	651,169,708
Leasehold land	170,356,912	68,772,535	15,843,138	-	254,972,585	9,359,409	4,477,199	4,518,838	-	18,355,446	236,617,139
Buildings	2,292,232,243	819,007,054	49,286,007	-	3,160,525,304	458,741,450	121,976,064	88,223,672	-	668,941,186	2,491,584,118
Computers and data processing units	38,265,704	-	19,721,168	38,500	57,948,372	27,209,592	-	5,607,453	37,602	32,779,443	25,168,929
Furniture and fittings	83,885,508	2,316,645	7,201,237	-	93,403,390	44,909,505	908,442	9,467,402	-	55,285,349	38,118,041
Heavy earth moving machines	153,911,739	-	3,925,397	17,869,296	139,967,840	133,576,391	-	5,657,095	17,274,494	121,958,992	18,008,848
Motor vehicles	251,210,062	133,330	27,229,222	5,880,686	272,691,928	169,452,235	61,874	26,592,217	5,039,559	191,066,767	81,625,161
Office equipments	78,967,160	6,387,896	5,417,978	60,000	90,713,034	36,364,083	3,974,992	22,109,255	27,095	62,421,235	28,291,799
Plant and machinery	23,718,941,860	3,439,420,968	162,625,822	127,844,686	27,193,143,964	5,607,913,140	719,446,570	1,319,625,036	24,397,076	7,622,587,670	19,570,556,294
Railway siding	521,274,980	-	29,463,623	107,858,165	442,880,438	210,681,379	-	56,014,314	68,583,470	198,112,223	244,768,215
Roads	167,892,146	-	-	-	167,892,146	89,886,824	-	41,090,215	-	130,977,039	36,915,107
<b>Total tangible assets</b>	<b>28,094,774,007</b>	<b>4,336,038,428</b>	<b>354,047,607</b>	<b>259,551,333</b>	<b>32,525,308,709</b>	<b>6,788,094,008</b>	<b>850,845,141</b>	<b>1,578,905,497</b>	<b>115,359,296</b>	<b>9,102,485,350</b>	<b>23,422,823,359</b>
<b>Intangible assets</b>											
Goodwill on consolidation	643,582,803	-	251,790,563	-	895,373,366	-	-	-	-	-	895,373,366
Softwares	13,025,577	-	14,284,801	-	27,310,378	9,527,540	-	3,308,958	-	12,836,498	14,473,880
<b>Total intangible assets</b>	<b>656,608,380</b>	<b>-</b>	<b>266,075,364</b>	<b>-</b>	<b>922,683,744</b>	<b>9,527,540</b>	<b>-</b>	<b>3,308,958</b>	<b>-</b>	<b>12,836,498</b>	<b>909,847,246</b>
<b>Grand total</b>	<b>28,751,382,387</b>	<b>4,336,038,428</b>	<b>620,122,971</b>	<b>259,551,333</b>	<b>33,447,992,453</b>	<b>6,797,621,548</b>	<b>850,845,141</b>	<b>1,582,214,455</b>	<b>115,359,296</b>	<b>9,115,321,848</b>	<b>24,332,670,605</b>

## As at 31 March 2014

Particulars	Gross block					Accumulated depreciation, amortisation and impairment					Net block
	As at 1 April 2013	Additions pursuant to acquisition of a subsidiary	Additions	Deletions/ adjustments	As at 31 March 2014	As at 1 April 2013	Additions pursuant to acquisition of a subsidiary	For the year *	Deletions/ adjustments	As at 31 March 2014	As at 31 March 2014
<b>Tangible assets</b>											
Freehold land	606,005,546	-	11,830,147	-	617,835,693	-	-	-	-	-	617,835,693
Leasehold land	166,869,107	-	3,487,805	-	170,356,912	5,342,795	-	4,016,614	-	9,359,409	160,997,503
Buildings	2,178,040,039	-	137,075,429	22,883,225	2,292,232,243	376,772,635	-	81,968,815	-	458,741,450	1,833,490,793
Computers and data processing units	31,706,215	-	6,559,489	-	38,265,704	23,872,677	-	3,336,915	-	27,209,592	11,056,112
Furniture and fittings	81,880,631	-	2,004,877	-	83,885,508	38,404,013	-	6,505,492	-	44,909,505	38,976,003
Heavy earth moving machines	153,604,076	-	3,067,973	2,760,310	153,911,739	127,866,711	-	8,105,736	2,396,056	133,576,391	20,335,348
Motor vehicles	244,573,296	-	11,520,421	4,883,655	251,210,062	148,475,190	-	24,413,850	3,436,805	169,452,235	81,757,827
Office equipments	71,737,558	-	7,259,302	29,700	78,967,160	30,941,445	-	5,437,437	14,799	36,364,083	42,603,077
Plant and machinery	22,969,346,481	-	1,226,387,485	476,792,106	23,718,941,860	4,501,910,199	-	1,106,002,941	-	5,607,913,140	18,111,028,720
Railway siding	521,274,980	-	-	-	521,274,980	160,497,188	-	50,184,191	-	210,681,379	310,593,601
Roads	160,133,806	-	8,083,009	324,669	167,892,146	70,571,931	-	19,314,893	-	89,886,824	78,005,322
<b>Total tangible assets</b>	<b>27,185,171,735</b>	<b>-</b>	<b>1,417,275,937</b>	<b>507,673,665</b>	<b>28,094,774,007</b>	<b>5,484,654,785</b>	<b>-</b>	<b>1,309,286,883</b>	<b>5,847,660</b>	<b>6,788,094,008</b>	<b>21,306,679,999</b>
<b>Intangible assets</b>											
Goodwill on consolidation	229,659,041	-	413,923,762	-	643,582,803	-	-	-	-	-	643,582,803
Softwares	12,284,634	-	740,943	-	13,025,577	7,482,191	-	2,045,349	-	9,527,540	3,498,037
<b>Total intangible assets</b>	<b>241,943,675</b>	<b>-</b>	<b>414,664,705</b>	<b>-</b>	<b>656,608,380</b>	<b>7,482,191</b>	<b>-</b>	<b>2,045,349</b>	<b>-</b>	<b>9,527,540</b>	<b>647,080,840</b>
<b>Grand total</b>	<b>27,427,115,410</b>	<b>-</b>	<b>1,831,940,642</b>	<b>507,673,665</b>	<b>28,751,382,387</b>	<b>5,492,136,976</b>	<b>-</b>	<b>1,311,332,232</b>	<b>5,847,660</b>	<b>6,797,621,548</b>	<b>21,953,760,839</b>

## Notes:

-Roads includes Rs. 71,251,406 (previous year Rs. 71,251,406) built on land owned by government authorities and the same is amortised over the period of five years.

\* Includes Rs. 9,282,188 (previous year Rs. 5,325,214) being capitalised and transferred to capital work in progress/ fixed assets or stores and spares during the year.

# refer note 2(g)

## refer note 47

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**13. Non-current investments**

Long-term investments (at cost, unless specified otherwise)	As at 31 March 2015		As at 31 March 2014	
	No. of Units	Amount	No. of Units	Amount
<b>Trade Investments</b>				
<b>-Investment in equity shares (unquoted)</b>				
<i>In associates</i>				
Global Coal and Mining Private Limited (refer note 31) Equity shares of Rs. 10 each fully paid up [including goodwill of Rs. 785,659,638 (previous year capital reserve Rs. 359,120,362)]	6,257,358	1,956,324,338	6,257,358	761,216,051
Spectrum Power Generation Limited Equity shares of Rs. 10 each fully paid [refer note 29(e)] Equity shares of Rs. 10 each partly paid [refer note 30(c) and note 29(e)] [including goodwill of Rs. 953,882,003 (previous year Rs. 950,848,383)]	130,542,732 175,000,000	1,832,681,258 253,977,068	130,144,765 175,000,000	1,793,542,631 257,290,530
Maruti Clean Coal and Power Limited Equity shares of Rs. 10 each fully paid up [including goodwill of Rs. 2,024,631,849 (previous year Rs. 2,024,631,849)]	6,075,000	2,901,545,712	6,075,000	2,915,134,050
Swastik Power and Minerals Resources Private Limited Equity shares of Rs. 10 each fully paid up [including goodwill of Rs. 19,842,858 (previous year Rs. 19,842,858)]	29,113,123	442,110,398	4,615,143	69,369,620
<i>Others</i>				
Aryan Ispat & Power Private Limited Equity shares of Rs. 100 each fully paid up Less: Provision for diminution in the value of investments	180,000	34,105,769 <u>(23,322,769)</u> 10,783,000	180,000	24,105,769 <u>(23,322,769)</u> 783,000
	(A)	<u>7,397,421,774</u>		<u>5,797,335,882</u>
<b>-Investment in preference shares (unquoted)</b>				
<i>In associates</i>				
Maruti Clean Coal and Power Limited Redeemable Preference shares of face value of Rs.10 each	500,000	5,000,000	-	-
Spectrum Power Generation Limited 0.05% preference shares of Rs. 10 each redeemable in financial year 2022-23	28,023,750	454,757,340	28,023,750	422,262,600
<i>Others</i>				
Kolahai Infotech Private Limited 15% Cumulative Compulsorily Convertible Preference Shares of Rs. 10 each, convertible at any time at the option of the holder after 6 months from the date of issue.	-	-	470,000	94,000,000
Kolahai Infotech Private Limited 0.05% Non Cumulative Redeemable Preference Shares of Rs. 10 each	470,000	94,000,000	-	-
<b>-Investment in debentures (unquoted)</b>				
<i>In associates</i>				
Maruti Clean Coal and Power Limited Zero coupon compulsorily Convertible Debentures Units of Rs. 10 each, convertible on 15 October 2016.	117,000,000	1,170,000,000	117,000,000	1,170,000,000
<i>Others</i>				
Kolahai Infotech Private Limited Zero coupon compulsorily convertible debentures of Rs. 10 each, convertible on 16 October 2016.	323,590,000	3,235,900,000	160,590,000	1,605,900,000
	(B)	<u>4,959,657,340</u>		<u>3,292,162,600</u>
<b>Non trade investments</b>				
<b>-Investment in equity shares (quoted)</b>				
Indian Overseas Bank Equity shares of Rs. 10 each fully paid up	13,700	328,800	13,700	328,800
	(C)	<u>328,800</u>		<u>328,800</u>
	(A+B+C)	<u>12,357,407,914</u>		<u>9,089,827,282</u>
<b>Additional disclosures:</b>				
	<b>Market Value</b>	<b>Aggregate Book Value</b>	<b>Market Value</b>	<b>Aggregate Book Value</b>
Aggregate amount of quoted investment in equity shares	778,845	328,800	696,645	328,800
Aggregate amount of unquoted investment in equity shares		7,397,421,774		5,797,335,882
Aggregate amount of unquoted investment in preference shares and debentures		4,959,657,340		3,292,162,600
Aggregate provision for diminution in value of investment		23,322,769		23,322,769

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**14. Loans and advances**

(Unsecured and considered good, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Long-term		Short-term	
Loans and advances to related parties (refer note 29)				
-Share application money	-	266,500,000	-	-
-Inter-corporate deposits	-	-	404,595,493	443,555,767
-Advance to suppliers	-	-	12,741,824	302
Amount due from former Managing Director				
-Mr. Dev Suman Sindhu	-	-	2,000,000	2,000,000
Others				
-Inter-corporate deposits	-	-	659,500,000	-
-Advance to suppliers	187,285,628	83,536,596	311,081,687	327,060,385
-Capital advances	783,552,888	809,246,066	-	-
-Security deposits	364,525,306	280,006,938	112,120,761	70,957,864
-Prepaid expenses	77,442,500	109,360,268	238,800,701	160,750,432
-Advance to employees	-	-	1,724,011	4,526,895
-Imprest accounts	-	-	5,514,374	3,656,847
-Balances with central excise, service tax and sales tax authorities	3,890,181	442,224	225,576,426	174,840,588
-Advance income tax	226,027,717	211,993,378	-	-
-Advance fringe benefit tax	450,840	450,840	-	-
-Advance wealth tax	-	117,295	-	-
-Minimum Alternate Tax Credit Entitlement	541,116,444	682,747,832	17,353,196	111,119,210
	<b>2,184,291,504</b>	<b>2,444,401,437</b>	<b>1,991,008,473</b>	<b>1,298,468,290</b>

**15. Deferred tax assets (net)**

	As at 31 March 2015	As at 31 March 2014
<b>Deferred tax assets arising on account of</b>		
Provision for gratuity	3,772,500	1,723,834
Provision for compensated absences	1,944,468	251,838
Provision for doubtful advances	16,808,121	17,279,377
Brought forward business losses and unabsorbed depreciation	751,310,517	93,645,678
	<u>773,835,606</u>	<u>112,900,727</u>
Less: deferred tax asset not recognised	(381,736,707)	-
	392,098,899	112,900,727
<b>Less: Deferred tax liabilities arising on account of</b>		
Fixed assets	313,273,773	9,750,126
<b>Net deferred tax assets</b>	<b><u>78,825,126</u></b>	<b><u>103,150,601</u></b>

**16. Other non-current assets**

(Unsecured and considered good, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
Forward cover receivable (net)	394,820,219	592,912,748
Deposits with banks for more than 12 months (refer note 19)	339,602,520	487,924,597
	<b><u>734,422,739</u></b>	<b><u>1,080,837,345</u></b>

**17. Inventories**

(Valued at lower of cost or net realizable value)

	As at 31 March 2015	As at 31 March 2014
Stores and spare parts ^	689,867,351	602,368,576
Less: provision for slow moving/ non moving items	-	1,409,862
	<u>689,867,351</u>	<u>600,958,714</u>
Raw materials and components	30,843,073	42,423,436
Fuel for thermal power plant	26,480,429	21,661,981
Finished goods	2,775,078	1,070,829
Raw coal	757,275,472	511,695,977
Work in progress	258,042,126	63,510,406
Beneficiated coal	397,878,635	408,692,551
Coal rejects	380,195,362	579,758,669
Scrap	1,745,077	1,519,107
	<b><u>2,545,102,603</u></b>	<b><u>2,231,291,670</u></b>

**ACB (India) Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**18. Trade receivables \***

(Unsecured and considered good, unless otherwise stated)

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
Debts outstanding for a period exceeding six months from the date they became due for payment	1,585,484,466	1,042,257,216
Other debts	<u>2,441,809,516</u>	<u>2,641,385,780</u>
	<u><b>4,027,293,982</b></u>	<u><b>3,683,642,996</b></u>

\* Trade receivables include Rs. 908,295,877 (previous year Rs. 823,880,743) due from companies in which any director of Aryan Group is director.

**19. Cash and bank balances**

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
	<u>Non-current</u>		<u>Current</u>		<u>Total</u>	
<b>Cash and cash equivalents</b>						
Balance with banks:						
-Current accounts <sup>^</sup>	-	-	1,107,770,023	198,663,043	1,107,770,023	198,663,043
Cash in hand	-	-	7,426,233	8,674,513	7,426,233	8,674,513
Deposits with banks with original maturity of upto 3 months	-	-	302,387,930	-	302,387,930	-
Cheques in hand	-	-	518,151	500,000	518,151	500,000
	<u>-</u>	<u>-</u>	<u>1,418,102,337</u>	<u>207,837,556</u>	<u>1,418,102,337</u>	<u>207,837,556</u>
<b>Other bank balances *</b>						
Deposits with banks with original maturity of upto 3 months	-	-	-	7,143,964	-	7,143,964
Deposits with banks maturing within 12 months	-	-	1,288,438,195	457,099,166	1,288,438,195	457,099,166
Deposits with banks maturing after 12 months	339,602,520	487,924,597	-	-	339,602,520	487,924,597
	<u>339,602,520</u>	<u>487,924,597</u>	<u>1,288,438,195</u>	<u>464,243,130</u>	<u>1,628,040,715</u>	<u>952,167,727</u>
Less: Amount disclosed under non-current assets (refer note 16)	339,602,520	487,924,597	-	-	339,602,520	487,924,597
	<u>-</u>	<u>-</u>	<u>2,706,540,532</u>	<u>672,080,686</u>	<u>2,706,540,532</u>	<u>672,080,686</u>

**\* Break-up of Fixed deposits :**

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
Provided as security to Government authorities	1,832,040	1,683,247
Held as margin money for bank guarantees and letter of credits	870,809,955	764,239,456
Given as margin money for bank guarantees issued for group companies	104,128,149	107,452,893
Provided as debt service reserve account for loans	92,824,296	78,776,791
Fixed deposits pledged	1,069,594,440	952,152,387
Fixed deposits not pledged	558,446,275	15,340
	<u>1,628,040,715</u>	<u>952,167,727</u>

<sup>^</sup> Rs. 285,640 (previous year Rs. 285,640) not available for use.

**20. Other current assets**

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
Income accrued but not due	268,026,986	42,070,889
Unbilled revenue	69,327,459	65,361,649
Interest accrued and due on fixed deposits and inter corporate deposits	41,191,188	33,992,827
Interest accrued but not due on inter corporate deposits	17,761,151	-
Unamortised premium on forward cover	3,978,504	6,630,856
Forward cover receivable (net)	110,705,355	171,009,986
Claims recoverable from customers	216,578,387	130,249,641
Others	544,202	544,202
	<u>728,113,232</u>	<u>449,860,050</u>

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***21. Revenue from operations**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Sale of products		
Sale of coal	7,123,187,577	5,247,358,805
Sale of thermal power	5,296,680,927	4,844,787,742
Sale of wind power	86,862,737	109,691,878
Sale of equipment	20,992,541	48,961,920
Sale of traded goods	596,649	7,313,866
Sale of services		
Coal beneficiation and allied receipts	8,308,615,270	5,601,587,990
Professional consultancy receipts	12,500,000	3,600,000
Construction projects receipts	44,728,346	-
Other operating revenues		
Erection and commissioning charges	10,000,100	7,615,433
Loader hire charges received	300,000	1,200,000
Sale of scrap	153,466	1,099,036
	<b>20,904,617,613</b>	<b>15,873,216,670</b>

**22. Other income**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Interest income from banks and others	134,047,372	74,789,890
Dividend income	102,298	36,990
Bad debts recovered	26,625	-
Sundry balances written off	315,483	18,478,139
Profit on sale of fixed assets (net)	-	741,943
Exchange gain (net)	31,781	556,670
Miscellaneous receipts	43,070,242	99,496,570
	<b>177,593,801</b>	<b>194,100,202</b>

**23. Changes in inventories**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Opening stock:		
Raw coal	502,946,490	849,998,213
Beneficiated coal	407,972,155	171,174,720
Coal rejects	589,228,552	216,641,005
Work in progress	63,510,406	49,262,608
Finished goods	1,070,829	1,886,706
Scrap	1,519,107	92,607
	1,566,247,539	1,289,055,859
Closing stock:		
Raw coal	757,275,472	511,695,977
Beneficiated coal	397,878,635	408,692,551
Coal rejects	380,195,362	579,758,669
Work in progress	258,042,126	63,510,406
Finished goods	2,775,078	1,070,829
Scrap	1,745,077	1,519,107
	1,797,911,750	1,566,247,539
	<b>(231,664,211)</b>	<b>(277,191,680)</b>

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***24. Employee benefit expense**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Salaries, wages and bonus	1,096,527,741	900,975,804
Contribution to provident and other funds	45,091,478	38,398,727
Workmen and staff welfare expenses	41,269,847	33,409,843
	<b><u>1,182,889,066</u></b>	<b><u>972,784,374</u></b>

**25. Finance cost**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Interest on term loans	1,990,186,047	1,711,334,216
Interest on cash credits/ working capital demand loans	404,529,220	584,060,376
Interest on inter corporate deposits	10,072,494	4,941,113
Loan processing charges	282,738,545	80,379,182
Lender's arrangement fees	29,675,000	47,325,000
Interest on delayed payment of advance tax	802,401	1,215,253
	<b><u>2,718,003,707</u></b>	<b><u>2,429,255,140</u></b>

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**  
(All amounts are in Rupees, unless otherwise stated)

**26. Other expenses**

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Consumption of stores and spares	716,983,401	555,377,777
Job work charges	4,977,565	6,415,962
(Decrease)/ increase in excise duty on finished goods	24,848	5,667
Environment protection expenses	49,493,180	48,331,266
Ash disposal expenses	137,736,308	116,199,543
Repair, running and maintenance:		
-Building	18,001,541	21,276,906
-Plant and machinery	297,541,704	227,859,165
-Others	182,898,045	155,292,968
Transmission charges	774,720,449	739,581,946
Beneficiation charges	13,285,157	7,565,736
Rent (refer note 36)	152,611,549	93,030,344
Land lease rent	2,766,282	2,814,472
Rate, taxes and fees	244,224,915	113,813,699
Legal and professional fees	111,052,535	83,502,156
Security expenses	56,131,934	52,142,434
Insurance	27,372,861	26,510,669
Rebate and discount	76,436,408	90,367,219
Freight outward	1,559,319	1,827,881
Printing and stationery	6,675,613	6,452,843
Communication expenses	15,300,094	15,899,955
Office maintenance expenses	30,999,276	25,118,040
Travelling and conveyance	77,005,113	73,970,816
Electricity and water charges	12,960,139	12,546,955
Corporate social responsibility expenses (refer note 46)	24,696,720	-
Deductions on account of quality and quantity	251,715,066	157,450,774
Deductions on account of supply of power	7,677,920	995,363
Coal handling charges	210,466,770	179,164,071
Sampling charges	12,466,531	11,822,186
Advertisement, publicity and business promotion	23,552,111	17,359,619
Bank charges	58,553,615	59,370,087
Forward premium amortised	2,652,352	5,948,869
Sundry balances written off	3,541,928	-
Loss on sale of fixed assets, net	49,653,823	-
Loss on sale of investments	10,184	-
Exchange loss, net	-	13,125,618
Bad debts written off	3,250,746	7,826,319
Capital work in progress written off	3,422,012	3,140,550
Site shifting expenses	24,231,477	4,936,975
Donation to Bhartiya Janta Party	50,000,000	-
Miscellaneous expenses	20,862,890	46,867,912
	<b>3,757,512,381</b>	<b>2,983,912,762</b>

**27. Earnings per share**

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Net profit as per Statement of Profit and Loss	3,183,777,562	1,763,009,188
Number of equity shares of Rs. 10 each at the beginning of the year	238,005,728	238,005,728
Number of equity shares of Rs. 10 each at the end of the year	238,005,728	238,005,728
Weighted average number of equity shares of Rs. 10 each at the end of the year for calculation of basic and diluted earnings per share	238,005,728	238,005,728
<b>Basic and diluted earnings per share (in Rs.) per share of Rs. 10 each</b>	<b>13.38</b>	<b>7.41</b>

**28. Segment Reporting:**

In accordance with Accounting Standard 17 'Segment Reporting' on segment reporting as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, the Company has identified four business segments viz. coal operations, wind power, thermal power and engineering, procurement and construction. The above segments have been identified and reported taking into account the differing risks and returns, and the current internal financial reporting systems. The segment wise disclosures are as follows:

Segment revenue, results and capital employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure/assets/liabilities include expenses/assets/liabilities which are not directly identifiable to any business segment.

**Segment profit and loss details**

Particulars	Coal operations	Wind power	Thermal power	Manufacture of equipment	Engineering, Procurement and Construction	Eliminations	Total
<b>Segment revenue</b>							
External revenue	15,432,102,847	86,862,737	5,309,411,027	31,512,656	44,728,346	-	<b>20,904,617,613</b>
	(10,850,146,795)	(109,691,878)	(4,848,387,742)	(64,990,255)	(-)	(-)	(15,873,216,670)
Inter segment revenue	448,176,710	-	236,262,581	82,487,530	-	-766,926,821	-
	(346,643,489)	(-)	(131,377,571)	(48,376,061)	(-)	(-526,397,121)	(-)
<b>Total revenue</b>	<b>15,880,279,557</b>	<b>86,862,737</b>	<b>5,545,673,608</b>	<b>114,000,186</b>	<b>44,728,346</b>	<b>-766,926,821</b>	<b>20,904,617,613</b>
	(11,196,790,284)	(109,691,878)	(4,979,765,313)	(113,366,316)	(-)	(-526,397,121)	(15,873,216,670)
<b>Segment results</b>	<b>6,143,478,003</b>	<b>29,830,710</b>	<b>1,482,493,654</b>	<b>(10,142,984)</b>	<b>1,721,265</b>	<b>-</b>	<b>7,647,380,648</b>
	(3,373,638,187)	(54,762,564)	(1,691,100,257)	(1,869,620)	(-)	(-)	(5,121,370,628)
<b>Less: Unallocated corporate expenses</b>							<b>815,823,815</b>
							(668,420,342)
<b>Operating profit</b>							<b>6,831,556,833</b>
							(4,452,950,286)
<b>Finance cost</b>							<b>2,718,003,707</b>
							(2,429,255,140)
<b>Interest and other income</b>							<b>177,593,801</b>
							(194,100,202)
<b>Net profit before tax</b>							<b>4,291,146,927</b>
							(2,217,795,348)

Figures in brackets are for the previous year.

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**ACB (India) Limited**
**Notes to consolidated financial statements for the year ended 31 March 2015**
*(All amounts are in Rupees, unless otherwise stated)*
**Segment assets and liabilities**

Particulars	Coal operations	Wind power	Thermal power	Manufacture of equipment	Engineering, Procurement and Construction	Total
<b>Assets</b>						
Segment assets	10,433,438,470	437,147,908	51,126,155,272	185,454,931	14,715,771	62,196,912,352
	(8,935,518,242)	(472,872,886)	(42,563,360,342)	(225,020,299)	(-)	(52,196,771,769)
Unallocated corporate assets						16,033,989,700
						(12,612,473,963)
Cash and bank balances						3,046,143,052
						(1,160,005,283)
Total assets						<b>81,277,045,104</b>
						(65,969,251,015)
<b>Liabilities/ shareholders' funds</b>						
Segment liabilities	2,000,070,139	9,000	3,130,952,529	14,669,074	12,902,944	5,158,603,686
	(695,491,729)	(109,800)	(5,161,015,749)	(17,761,372)	(-)	(5,874,378,650)
Unallocated corporate liabilities						1,881,853,820
						(2,015,313,498)
Share capital						2,380,057,280
						(2,380,057,280)
Reserves and surplus						23,675,252,697
						(19,427,269,131)
Secured and unsecured loans						46,406,335,360
						(34,599,431,517)
Minority interest						1,774,942,261
						(1,672,800,939)
Total liabilities/ shareholders' funds						<b>81,277,045,104</b>
						(65,969,251,015)
Segment capital expenditure	312,608,157	-	6,619,765,838	2,188,511	1,310,354	6,935,872,860
		(-)	(13,315,338,663)	(2,161,872)	(-)	(13,317,500,535)
Unallocated capital expenditure						287,995,508
						(419,209,213)
Total capital expenditure						<b>7,223,868,368</b>
						(13,736,709,748)
Depreciation	520,984,999	39,003,600	973,842,772	5,566,016	49,552	1,539,446,939
	(448,787,159)	(35,088,456)	(793,653,984)	(4,003,869)	(-)	(1,281,533,468)
Unallocated depreciation						33,485,329
						(24,473,551)
Total depreciation						<b>1,572,932,268</b>
						(1,306,007,019)

*Figures in brackets are for the previous year.*

The Aryan Group's customers are located predominantly in India and constitute a single reportable segment for the purpose of secondary segment reporting. Accordingly, no secondary segment information has been disclosed as required by Accounting Standard-17 'Segment Reporting' specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

**Segment accounting policies**

The accounting principles consistently used in the preparation of the consolidated financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in Note 2 of the financial statements. The accounting policies in relation to segment accounting are as under:

**(a) Segment assets and liabilities**

All segment assets and liabilities have been allocated to the various segments on the basis of specific identification. Segment assets consist principally of fixed assets, capital work in progress, inventories, trade receivables, other current assets and loans and advances. Segment assets do not include unallocated corporate fixed assets, investments, cash and bank balances, advance tax and other assets not specifically identifiable with any segment.

Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment liabilities do not include borrowings and those related to income taxes.

**(b) Segment revenue and expenses**

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. Segment revenue does not include interest income and other incomes in respect of non-segmental activities. Segment expenses do not include depreciation on unallocated corporate fixed assets, interest expense, tax expense and other expense in respect of non-segmental activities.

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**29. Related party disclosures**

**a. Related party and nature of the relationship with whom transactions have taken place during the year:**

**Associates:**

- Global Coal and Mining Private Limited
- Spectrum Power Generation Limited
- Maruti Clean Coal and Power Limited
- Swastik Power and Mineral Resources Private Limited (w.e.f. 10 June 2013)

**Key Management Personnel (KMP):**

- Rudra Sen Sindhu, Chairman and Managing Director
- Vir Sen Sindhu, Jt. Managing Director
- Vrit Pal Sindhu, Director
- Dev Suman Sindhu (up to 31 March 2014)
- Ajay Mrig, Director
- Anil Jain, Director
- N.P. Bhati, Director
- Sanjay Jain, Director
- Atul Jain, Director
- D R Gupta, Director
- N N Gautam, Director
- Punit Ghai, Director

**Relatives of Key Management Personnel (relatives):**

- Sarita Jain
- Sumati Maheria
- Shahista Gehlot
- Saurabh Sindhu
- G.C. Mrig
- Ashok Mrig

**Enterprises owned or significantly influenced by KMP or their relatives (Others):**

- Atma Securities Private Limited
- Aryan Ispat and Power Private Limited
- Hari Bhoomi Communications Private Limited
- Indus Portfolio Private Limited
- Indus Automotives Private Limited
- Pragati Vanijaya Limited
- Sainik Automobiles
- Sainik Mining and Allied Services Limited
- Sainik Transport
- Sindhu Realtors Limited (formerly known as Sindhu Realtors Private Limited)
- Sindhu Trade Links Limited
- Sainik Finance and Industries Limited
- Shyam Indus Power Solutions Private Limited
- V.V. Transport (Partnership firm)
- Jaisri Properties and Exports Private Limited
- Kolahai Infotech Private Limited
- Chakdola Transport Private Limited
- Bhilwara tex-fin Limited
- Shyam Indus Urja Private Limited
- Four Corner Developers Private Limited
- Kartikay Exploration & Mining Services Private Limited
- K.Patro & Associates

**ACB (India) Limited**
**Notes to consolidated financial statements for the year ended 31 March 2015**
*(All amounts are in Rupees, unless otherwise stated)*
**b. Transactions/ outstanding balances with related parties:**

The Aryan Group has entered into transactions with certain related parties as listed below. The Board considers such transactions to be in normal course of business

Particulars	Associates	KMP	Relatives	Others	Total
<b>Transactions during the year</b>					
Sale of coal	-	-	-	368,694,252	368,694,252
	(-)	(-)	(-)	(459,810,702)	(459,810,702)
Sale of equipment	-	-	-	9,314,616	9,314,616
	(-)	(-)	(-)	(13,459,614)	(13,459,614)
Sale of spares	-	-	-	-	-
	(-)	(-)	(-)	(67,963)	(67,963)
Sale of traded goods	-	-	-	-	-
	(-)	(-)	(-)	(5,993,050)	(5,993,050)
Sale of fixed assets	-	-	-	58,000	58,000
	(-)	(-)	(-)	(-)	(-)
Interest income from banks and others	791,326	-	-	63,973,252	64,764,578
	(1,340,547)	(-)	(-)	(24,851,939)	(26,192,486)
Professional/Consultancy receipts	-	-	-	12,500,000	12,500,000
	(1,200,000)	(-)	(-)	(-)	(1,200,000)
Beneficiation and allied charges	-	-	-	5,715,000	5,715,000
	(-)	(-)	(-)	(-)	(-)
Transportation and loading charges	-	-	-	2,921,302,887	2,921,302,887
	(-)	(-)	(-)	(1,947,769,996)	(1,947,769,996)
Transportation for purchase of coal	-	-	-	281,726,417	281,726,417
	(-)	(-)	(-)	(373,071,614)	(373,071,614)
Transportation on fuel for thermal power	-	-	-	-	-
	(-)	(-)	(-)	(1,500,000)	(1,500,000)
Coal beneficiation and allied receipts	-	-	-	159,671	159,671
	(-)	(-)	(-)	(737,530)	(737,530)
Miscellaneous receipts	-	-	-	25,000	25,000
	(-)	(-)	(-)	(260,706)	(260,706)
Power and fuel	-	-	-	64,644,521	64,644,521
	(-)	(-)	(-)	(50,289,693)	(50,289,693)
Repair, running and maintenance-building	-	-	-	2,520,000	2,520,000
	(-)	(-)	(-)	(5,127,356)	(5,127,356)
Repair, running and maintenance-plant and machinery	-	-	-	14,983,295	14,983,295
	(-)	(-)	(-)	(12,291,450)	(12,291,450)
Repair, running and maintenance-others	-	-	-	125,208,053	125,208,053
	(-)	(-)	(-)	(114,767,288)	(114,767,288)
Managerial remuneration paid	-	248,676,000	-	-	248,676,000
	(-)	(229,288,417)	(-)	(-)	(229,288,417)
Salaries, wages and bonus	-	-	7,338,000	-	7,338,000
	(-)	(-)	(6,428,117)	(-)	(6,428,117)
Issue of equity shares (including securities premium)	-	-	-	-	-
	(-)	(59,825,800)	(-)	(353,223,870)	(413,049,670)
Rent paid	-	4,800,000	-	69,379,682	74,179,682
	(-)	(4,800,000)	(-)	(54,084,072)	(58,884,072)
Ash disposal expenses	-	-	-	122,933,126	122,933,126
	(-)	(-)	(-)	(115,459,308)	(115,459,308)
Rate, taxes and fees	-	-	-	104,046	104,046
	(-)	(-)	(-)	(101,796)	(101,796)
Travelling and conveyance	-	-	-	9,606,599	9,606,599
	(-)	(-)	(-)	(11,362,148)	(11,362,148)
Advertisement and publicity	-	-	-	948,426	948,426
	(-)	(-)	(-)	(10,033,400)	(10,033,400)
Business promotion	-	-	-	14,400,000	14,400,000
	(-)	(-)	(-)	(-)	(-)
Management fees	-	-	-	-	-
	(-)	(-)	(-)	(1,200,000)	(1,200,000)
Compulsory convertible debenture	-	-	-	-	-
	(1,170,000,000)	(-)	(-)	(-)	(1,170,000,000)
Finance cost	-	-	-	287,671	287,671
	(-)	(-)	(-)	(3,858,630)	(3,858,630)

**ACB (India) Limited**
**Notes to consolidated financial statements for the year ended 31 March 2015**
*(All amounts are in Rupees, unless otherwise stated)*

Particulars	Associates	KMP	Relatives	Others	Total
Inter corporate deposit taken	-	-	-	114,000,000	114,000,000
	(-)	(-)	(-)	(945,000,000)	(945,000,000)
Inter corporate deposit taken refunded	-	-	-	50,000,000	50,000,000
	(-)	(-)	(-)	(545,000,000)	(545,000,000)
Purchase of Fixed assets/Capital work in progress	-	-	-	158,032,244	158,032,244
	(-)	(-)	(-)	(413,440,486)	(413,440,486)
Shares purchased/allotment (investments)	396,046,365	-	-	10,000,000	406,046,365
	(-)	(-)	(-)	(1,605,900,000)	(1,605,900,000)
Purchase of stores and spares	-	-	-	80,461,185	80,461,185
	(-)	(-)	(-)	(35,069,795)	(35,069,795)
Security/retention received	-	-	-	630,340	630,340
	(-)	(-)	(-)	(-)	(-)
Environment protection expenses	-	-	-	44,528,100	44,528,100
	(-)	(-)	(-)	(38,305,620)	(38,305,620)
Inter corporate deposit given	19,281,310	-	-	1,070,258,416	1,089,539,726
	(185,000,000)	(-)	(-)	(346,055,797)	(531,055,797)
Staff welfare expenses	-	-	-	-	-
	(-)	(-)	(-)	(8,788)	(8,788)
Electricity Charges	-	-	-	200,701	200,701
	(-)	(-)	(-)	(-)	(-)
Share application money received	-	-	-	-	-
	(-)	(83,650,000)	(-)	(224,150,000)	(307,800,000)
Share application money received refunded back	-	-	-	-	-
	(-)	(104,650,000)	(500,000)	(226,895,000)	(332,045,000)
Inter corporate deposit given received back	-	-	-	1,128,500,000	1,128,500,000
	(185,000,000)	(-)	(-)	(77,500,000)	(262,500,000)
Share application money paid	30,135,880	-	-	-	30,135,880
	(864,000,000)	(-)	(-)	(210,000,000)	(1,074,000,000)
Share application money paid received back	30,135,880	-	-	-	30,135,880
	(837,500,000)	(-)	(-)	(210,000,000)	(1,047,500,000)
Application money for debenture	-	-	-	186,000,000	186,000,000
	(-)	(-)	(-)	(-)	(-)
Application money for debenture received back	-	-	-	186,000,000	186,000,000
	(-)	(-)	(-)	(-)	(-)
Investment in preference share	5,000,000	-	-	-	5,000,000
	(-)	(-)	(-)	(-)	(-)
Purchase of investments in debentures	-	-	-	1,630,000,000	1,630,000,000
	(-)	(-)	(-)	(-)	(-)
<b>Outstanding balances as at year end</b>					
Trade receivables	-	-	-	908,295,877	908,295,877
	(614,160)	(-)	(-)	(830,622,926)	(831,237,086)
Interest accrued and due receivable	712,193	-	-	41,159,831	41,872,024
	(-)	(-)	(-)	(25,530,897)	(25,530,897)
Interest accrued and due payable	-	-	-	5,108,918	5,108,918
	(-)	(-)	(-)	(14,380,274)	(14,380,274)
Inter corporate deposit given	19,281,310	-	-	385,314,183	404,595,493
	(-)	(-)	(-)	(443,555,767)	(443,555,767)
Inter corporate deposit taken	-	-	-	64,000,000	64,000,000
	(-)	(-)	(-)	(400,000,000)	(400,000,000)
Share application money paid	-	-	-	-	-
	(266,500,000)	(-)	(-)	(-)	(266,500,000)
Advance to suppliers	12,741,521	-	-	303	12,741,824
	(-)	(-)	(-)	(303)	(303)
Security/retention received	250,000,000	-	-	11,706,961	261,706,961
	(250,000,000)	(-)	(-)	(13,394,581)	(263,394,581)
Creditors for capital purchases	-	-	-	46,684,993	46,684,993
	(-)	(-)	(-)	(31,041,101)	(31,041,101)
Dues to employees	-	24,458,640	75,390	-	24,534,030
	(-)	(36,269,453)	(175,420)	(-)	(36,444,873)
Compulsory convertible debenture	-	-	-	-	-
	(1,170,000,000)	(-)	(-)	(-)	(1,170,000,000)
Trade payables	-	-	-	498,151,971	498,151,971
	(-)	(-)	(-)	(166,171,018)	(166,171,018)
Amount due from former joint managing director	-	2,000,000	-	-	2,000,000
	(-)	(2,000,000)	(-)	(-)	(2,000,000)
Others payable	-	-	-	5,311,588	5,311,588
	(-)	(-)	(-)	(8,212,762)	(8,212,762)

Note: Transactions with GCMPL and SPGL, by any consolidated entity of the Group, other than ACB (India) Limited are included in 'Others' above.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

- c. Guarantees/commitments given by the respective company of the Group (refer note 30 (c ))
- d. Guarantee given by directors or their group companies for loans taken by respective company of the Group (refer note 6)
- e. Investment pledged by the Company (refer note 13) :

Investment in	Type of Investment	Pledged with	Purpose	No. of Shares pledged as at	No. of Shares pledged as at
				As at 31 March 2015	As at 31 March 2014
Spectrum Power Generation Limited ('SPGL')	Equity shares of Rs. 10 each fully paid up	Yes Bank Limited	Security towards term loan availed by SPGL	30,000,000	30,000,000
	Equity shares of Rs. 10 each of which Rs. 1.71 per share called and paid up	Yes Bank Limited	Security towards term loan availed by SPGL	52,500,000	52,500,000
	Equity shares of Rs. 10 each of which Rs. 1.71 per share called and paid up	Asset Reconstruction Company (India) Limited	As per the 'Scheme of Arrangement' of SPGL sanctioned by Hon'ble High Court of Andhra Pradesh	4,245,140	45,500,000

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

f. Disclosure in respect of transaction which are more than 10% of the total transactions of the same type with related parties during the year:

<b>Transactions during the year</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
<b>Sale of coal</b>		
Aryan Ispat and Power Private Limited	368,694,252	450,927,980
Others	-	8,882,723
	<b>368,694,252</b>	<b>459,810,702</b>
<b>Coal beneficiation and allied receipts</b>		
Global Coal and Mining Private Limited	159,671	737,530
	<b>159,671</b>	<b>737,530</b>
<b>Sale of spares</b>		
Global Coal and Mining Private Limited	-	67,963
	-	<b>67,963</b>
<b>Sale of equipment</b>		
Shyam Indus Power Solutions Private Limited	7,939,866	13,354,714
Global Coal and Mining Private Limited	1,374,750	104,900
	<b>9,314,616</b>	<b>13,459,614</b>
<b>Sale of fixed assets</b>		
Aryan Ispat and Power Private Limited	58,000	-
	<b>58,000</b>	-
<b>Sale of traded goods</b>		
Shyam Indus Power Solutions Private Limited	-	5,993,050
	-	<b>5,993,050</b>
<b>Interest income from banks and others</b>		
Sainik Finance and Industries Limited	49,559,005	19,873,308
Bhilwara tex-fin Limited	11,376,439	406,575
Sindhu Trade Links Limited	2,815,342	4,572,056
Others	1,013,792	1,340,547
	<b>64,764,578</b>	<b>26,192,486</b>
<b>Professional/Consultancy receipts</b>		
Maruti Clean Coal and Power Limited	-	1,200,000
Spectrum Power Generation Limited	12,500,000	-
	<b>12,500,000</b>	<b>1,200,000</b>
<b>Miscellaneous receipts</b>		
Global Coal and Mining Private Limited	25,000	260,706
	<b>25,000</b>	<b>260,706</b>
<b>Purchase of coal</b>		
<b>Power and fuel</b>		
Sindhu Trade Links Limited	50,069,146	44,947,341
V.V. Transport	14,575,375	5,342,353
	<b>64,644,521</b>	<b>50,289,693</b>
<b>Transportation on fuel for thermal power</b>		
Sindhu Trade Links Limited	-	1,500,000
	-	<b>1,500,000</b>
<b>Transportation for purchase of coal</b>		
Sindhu Trade Links Limited	281,726,417	373,071,614
	<b>281,726,417</b>	<b>373,071,614</b>
<b>Transportation and loading charges</b>		
Sindhu Trade Links Limited	2,745,616,972	1,824,621,594
Others	175,685,915	123,148,402
	<b>2,921,302,887</b>	<b>1,947,769,996</b>
<b>Beneficiation and allied charges</b>		
Sindhu Trade Links Limited	5,715,000	-
	<b>5,715,000</b>	-
<b>Business promotion</b>		
Hari Bhoomi Communications Private Limited	14,400,000	-
	<b>14,400,000</b>	-

## ACB (India) Limited

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

Transactions during the year	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Environment protection expenses</b>		
Sindhu Trade Links Limited	44,528,100	38,305,620
	<b>44,528,100</b>	<b>38,305,620</b>
<b>Electricity Charges</b>		
Global Coal and Mining Private Limited	200,701	-
	<b>200,701</b>	-
<b>Repair, running and maintenance-building</b>		
Sindhu Realtors Limited	-	2,459,106
Sindhu Trade Links Limited	2,520,000	2,160,000
Others	-	508,250
	<b>2,520,000</b>	<b>5,127,356</b>
<b>Repair, running and maintenance-plant and machinery</b>		
Shyam Indus Power Solutions Private Limited	4,427,496	3,440,908
Sindhu Trade Links Limited	10,511,226	8,497,490
Others	44,573	353,052
	<b>14,983,295</b>	<b>12,291,450</b>
<b>Repair, running and maintenance-others</b>		
Sindhu Trade Links Limited	90,033,564	65,316,935
Indus Automotives Private Limited	32,958,133	43,633,049
Others	2,216,356	5,817,304
	<b>125,208,053</b>	<b>114,767,288</b>
<b>Managerial remuneration paid</b>		
Rudra Sen Sindhu	104,811,040	92,593,300
Vir Sen Sindhu	85,721,760	74,209,554
Vrit Pal Sindhu	47,783,200	41,385,563
Others	10,360,000	21,100,000
	<b>248,676,000</b>	<b>229,288,417</b>
<b>Salaries, wages and bonus</b>		
Sumati Maheria	4,588,800	4,130,000
Shahista Sindhu	-	810,917
Sourabh Sindhu	2,749,200	1,487,200
	<b>7,338,000</b>	<b>6,428,117</b>
<b>Rent paid</b>		
Global Coal and Mining Private Limited	61,534,982	47,052,672
Sindhu Trade Links Limited	7,469,700	7,031,400
Others	5,175,000	4,800,000
	<b>74,179,682</b>	<b>58,884,072</b>
<b>Ash disposal expenses</b>		
Sindhu Trade Links Limited	75,121,048	41,462,052
Sainik Mining and Allied Services Limited	47,812,078	73,997,256
	<b>122,933,126</b>	<b>115,459,308</b>
<b>Staff welfare expenses</b>		
Indus Automotives Private Limited	-	8,788
	-	<b>8,788</b>
<b>Rate, taxes and fees</b>		
Indus Portfolio Private Limited	104,046	101,796
	<b>104,046</b>	<b>101,796</b>
<b>Travelling and conveyance</b>		
V.V. Transport	8,928,721	10,326,821
Others	677,878	1,035,327
	<b>9,606,599</b>	<b>11,362,148</b>
<b>Advertisement and publicity</b>		
Hari Bhoomi Communications Private Limited	948,426	10,033,400
	<b>948,426</b>	<b>10,033,400</b>
<b>Management fees</b>		
Sainik Finance and Industries Limited	-	1,200,000
	-	<b>1,200,000</b>

## ACB (India) Limited

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

Transactions during the year	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Finance cost</b>		
Sindhu Trade Links Limited	-	2,619,726
Bhilwara tex-fin Limited	287,671	46,027
Pragati Vanijaya Limited	-	1,192,877
	<b>287,671</b>	<b>3,858,630</b>
<b>Inter corporate deposit taken</b>		
Sindhu Trade Links Limited	-	895,000,000
Bhilwara tex-fin Limited	50,000,000	40,000,000
Sainik Finance and Industries Limited	64,000,000	-
Others	-	10,000,000
	<b>114,000,000</b>	<b>945,000,000</b>
<b>Inter corporate deposit taken refunded</b>		
Sindhu Trade Links Limited	-	495,000,000
Bhilwara tex-fin Limited	50,000,000	40,000,000
Others	-	10,000,000
	<b>50,000,000</b>	<b>545,000,000</b>
<b>Purchase of Fixed assets/Capital work in progress</b>		
Sainik Mining and Allied Services Limited	33,694,159	119,936,982
Sindhu Realtors Limited	14,529,545	112,668,039
Shyam Indus Power Solutions Private Limited	108,042,957	164,857,383
Others	1,765,583	15,978,082
	<b>158,032,244</b>	<b>413,440,486</b>
<b>Purchase of stores and spares</b>		
Sindhu Trade Links Limited	13,265,560	8,441,231
V.V. Transport	63,021,920	19,570,466
Indus Automotives Private Limited	3,628,626	6,706,662
Others	545,079	351,436
	<b>80,461,185</b>	<b>35,069,795</b>
<b>Inter corporate deposit given</b>		
Sainik Finance and Industries Limited	620,258,416	26,055,797
Sindhu Trade Links Limited	-	300,000,000
Maruti Clean Coal and Power Limited	-	185,000,000
Bhilwara tex-fin Limited	430,000,000	20,000,000
Others	39,281,310	-
	<b>1,089,539,726</b>	<b>531,055,797</b>
<b>Inter corporate deposit given received back</b>		
Maruti Clean Coal and Power Limited	-	185,000,000
Sindhu Trade Links Limited	300,000,000	-
Sainik Finance and Industries Limited	378,500,000	57,500,000
Bhilwara tex-fin Limited	430,000,000	20,000,000
Others	20,000,000	-
	<b>1,128,500,000</b>	<b>262,500,000</b>
<b>Share application money paid</b>		
Kolahi Infotech Private Limited	-	210,000,000
Maruti Clean Coal and Power Limited	-	637,500,000
Swastik Power and Mineral Resources Private Limited	30,135,880	226,500,000
	<b>30,135,880</b>	<b>1,074,000,000</b>
<b>Application money for debenture</b>		
Kolahi Infotech Private Limited	186,000,000	-
	<b>186,000,000</b>	-
<b>Application money for debenture received back</b>		
Kolahi Infotech Private Limited	186,000,000	-
	<b>186,000,000</b>	-
<b>Share application money paid received back</b>		
Maruti Clean Coal and Power Limited	-	837,500,000
Swastik Power and Mineral Resources Private Limited	30,135,880	-
Kolahi Infotech Private Limited	-	210,000,000
	<b>30,135,880</b>	<b>1,047,500,000</b>



## ACB (India) Limited

## Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

Transactions during the year	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Security/retention received</b>		
Sainik Mining and Allied Services Limited	630,340	-
	<b>630,340</b>	-
<b>Share application money received</b>		
Jaisri Properties and Exports Private Limited	-	189,750,000
Anil Jain	-	53,950,000
Atma Securities Private Limited	-	34,400,000
Others	-	29,700,000
	-	<b>307,800,000</b>
<b>Compulsory convertible debenture</b>		
Maruti Clean Coal and Power Limited	-	1,170,000,000
	-	<b>1,170,000,000</b>
<b>Investment made in joint venture</b>		
<b>Purchase of investments in debentures</b>		
Kolahi Infotech Private Limited	1,630,000,000	-
	<b>1,630,000,000</b>	-
<b>Shares purchased/allotment (investments)</b>		
Kolahi Infotech Private Limited	-	1,605,900,000
Swastik Power and Mineral Resources Private Limited	379,718,690	-
Others	26,327,675	-
	<b>406,046,365</b>	<b>1,605,900,000</b>
<b>Share application money received refunded back</b>		
Jaisri Properties and Exports Private Limited	-	189,750,000
Anil Jain	-	53,950,000
Atma Securities Private Limited	-	37,145,000
Others	-	51,200,000
	-	<b>332,045,000</b>
<b>Investment in preference share</b>		
Maruti Clean Coal and Power Limited	5,000,000	-
	<b>5,000,000</b>	-
<b>Issue of equity shares (including securities premium)</b>		
Atma Securities Private Limited	-	204,385,160
Jaisri Properties and Exports Private Limited	-	148,838,710
Others	-	59,825,800
	-	<b>413,049,670</b>

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**30. Contingent liabilities, commitments and claims against the respective company of the Group not acknowledged as debt**

**a. Contingent liabilities**

- i) The contingent liability of the Company relating to Sales Tax is Rs. 15,460,584 (previous year Rs. 17,017,687) mainly on account of input credit disallowance.
- ii) AEPL has been protesting against the demand of Rs. 18,084,957 (previous year Rs. 18,084,957) and penalty of the same amount raised by the service tax authorities which is pending before the High Court of Andhra Pradesh. CESTAT had passed the order in favour of AEPL; however, Service Tax Department had filed an appeal with High Court of Andhra Pradesh against the order passed by CESTAT.
- iii) ACCTPL had contested the liability of Rs. 1,040,634 (previous year Rs. 558,499) raised by excise department for short payment of excise duty.
- iv) SCPL had received a notice dated 15 March 2011 issued by the Deputy Commissioner of Income Tax, Circle 1(3), Mumbai initiating penalty proceeding under section 271(1) (c) of the Income Tax Act, 1961 for the assessment years 2004-05 and 2005-06. SCPL had filed reply dated 23 March 2011 requesting to keep the penalty proceeding in abeyance since SCPL is in appeal before Income Tax Appellate Tribunal and the assessing officer has the discretion to levy a penalty after the appellate order will be received by him. The amount of the contingency cannot be quantified.
- v) SCPL had received a demand order from the Office of the Commissioner, Custom & Central Excise, Raipur wherein a demand of Rs. 122,527,434 (previous year Rs. 122,527,434) along with penalty of Rs. 122,527,434 (previous year Rs. 122,527,434) has been raised mainly on account of adjustment of advance service tax paid beyond period of limitation as per the provisions of section 73 (1) of the Finance Act, 1944. SCPL is in appeal before CESTAT, New Delhi against the order.
- vi) Subsequent to the year end, SCPL has received a demand order dated 22 April 2015 from the Office of the Additional Commissioner, Custom and Central Excise, Raipur wherein a demand of Rs. 3,924,338 (previous year Rs. nil) along with interest of Rs. 399,028 (previous year Rs. nil) and penalty of Rs. 3,924,338 (previous year nil) has been raised mainly on account of wrong availment of cenvat credit.
- vii) TRN is contesting assessment order under Income Tax Act, 1961, for assessment year 2012-2013 for Rs. 43,183,751 on account of demand under Income Tax Act, 1961.
- viii) ACBIPL is contesting assessment order under Income Tax Act, 1961, for the assessment year 2011-2012, whereby the Assessing Officer had disallowed claim made for loss of Rs. 7,499,450, mainly on account of disallowance under section 14A of Income Tax Act, 1961.
- ix) ACBIPL is contesting assessment order under Income Tax Act, 1961, for the assessment year 2012-2013, whereby the Assessing Officer had disallowed claim made for loss of Rs. 9,334,694, mainly on account of disallowance under section 14A of Income Tax Act, 1961.
- x) SVPOWER has filed a writ petition under Article 226 of the Constitution of India against the Director General of Foreign Trade and Ministry of Commerce & Industry, Government of India in the Hon'ble High Court of Judicature of Delhi at New Delhi for quashing of demand notice issued by the Office of the Zonal Joint Director General of Foreign Trade, Government of India dated 24 May 2011 towards demand of Rs. 60,651,180. SVPOWER has already provided the aforesaid demand as liability in its books.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

- xi)** The assessment proceedings of SVPOWER for assessment year 2012-13, were completed vide Assessment Order dated 19 February 2015, whereby the Ld. AO has made, disallowance of Miscellaneous Expenditure of Rs. 16,926,176, disallowance of Depreciation of Rs. 7,209,728 and addition of Interest income of Rs. 83,389/-. As a result, the Loss claimed in income-tax return has been reduced to the extent of additions made. The Ld. AO has initiated the penalty proceedings, with respect to additions/ disallowances made in the assessment order. The company has submitted a reply dated 06 April 2015, contesting the levy of penalty, proposed to be levied by authorities.
- xii)** The Group is also involved in certain other lawsuits, claims and proceedings, either initiated by or against the Company, whether asserted or not. However, based on facts currently available, the management believes that these matters both individually and in aggregate will not have a material effect on the financial statements of the Group.

**b. Capital commitments**

The estimated amounts of contracts remaining to be executed on capital account (net of advances) as at 31 March 2015 are Rs. 3,989,160,228 (previous year Rs. 12,970,019,344).

**c. Other major commitments**

- i)** The Company has partly paid shares of SPGL, and require Rs. 1,450,000,000 (previous year Rs. 1,450,000,000) to make them fully paid-up.
- ii)** The Company has given corporate guarantees to certain banks against credit facilities given to other companies. The aggregate value of such corporate guarantees given by the Company is as follows:

<b>Name of the Entity</b>	<b>As at 31 March 2015</b>	<b>As at 31 March 2014</b>
Spectrum Power Generation Limited	913,933,174	1,380,892,861
Maruti Clean Coal and Power Limited (Jointly and severally with other parties till commercial operation date of 300 MW Power project of Maruti Clean Coal and Power Limited)	10,647,848,424	9,683,567,020
M/s Spectrum Coal and Power Limited (in consortium with Global Coal and Mining Private Limited)	1,250,000,000	-
	<b>12,811,781,598</b>	<b>11,064,459,881</b>

- iii)** Performance bank guarantees allocated in favour other companies:

<b>Particulars</b>	<b>As at 31 March 2015</b>	<b>As at 31 March 2014</b>
Maruti Clean Coal and Power Limited	165,000,000	165,000,000
Aryan Ispat and Power Private Limited	-	25,658,000
	<b>165,000,000</b>	<b>190,658,000</b>

- iv)** Pinnacle Overseas Assets Limited ('POAL') (a subsidiary of CSL) has provided its Corporate Guarantee under the 'Scheme of Arrangement' sanctioned by Hon'ble High Court of Andhra Pradesh to certain erstwhile secured lenders to the extent of 1.80% (previous year 3.33%) of secured obligation of SPGL and has also pledged 6,356,126 (previous year 6,356,126) equity shares held by it in SPGL to ARCIL on behalf of certain erstwhile secured lenders. POAL has also pledged 18,606,558 (previous year 18,606,558) equity shares held by it in SPGL in favour of Yes Bank Limited, which has provided secured loans to SPGL.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

- v) The search operation u/s 132/133A of Income Tax Act, 1961 ("the Act") was initiated on 12 April 2012 on the ACBIL and SCPL. The search proceedings were effectively concluded vide last Panchnama drawn on 11 June 2012. These companies have filed revised returns during the period. These companies have received questionnaire dated 15 October 2014 from Assistant Commissioner of Income-tax, New Delhi to furnish the information/documents mentioned in the questionnaire. These companies are in the process of submission of replies to the said questionnaire. At this stage, no tax demand has been determined pursuant to the search proceedings.

**d. Claims against the Company, one subsidiary and one associate company not acknowledged as debt:**

In the previous years, one of the customers, pursuant to a contract entered for beneficiation of coal, had invoked bank guarantees for Rs. 353,899,803 (including Rs. 37,994,803 being proportionate share of GCMPL) [previous year Rs. 353,899,803 (including Rs. 37,994,803 being proportionate share of GCMPL)] and had raised a further claim of Rs. 323,437,043 (including Rs. 80,219,243 being proportionate share of GCMPL) [previous year Rs. 323,437,043 (including Rs. 80,219,243 being proportionate share of GCMPL)] for recovery of cost of coal supplied by customer for beneficiation and penalties.

The matter for invocation of bank guarantees is pending at Hon'ble Supreme Court of India. Meantime, on an application filed for the appointment of Arbitrator in regard to above disputes, the Hon'ble Bombay High Court, Nagpur Bench appointed Sole Arbitrator and the above companies have filed its claim to the Arbitrator. The decision of the Sole Arbitrator is pending. However, management believes that final outcome of the litigation will not have significant financial impact and accordingly, no provision is required against the claims of the customer.

31. During the financial year 2009-10, ACBIL ('buyer') had purchased 6,257,358 equity shares of Global Coal and Mining Private Limited ('GCMPL') for an aggregate consideration of Rs. 124,243,520 from certain shareholders of GCMPL. Based on the accounting opinion received from a firm of chartered accountants, the Company had recorded the cost of investment at the face value of the equity shares issued and not at the fair value as required by Accounting Standard 13 'Accounting for Investments' as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014. This had been a subject matter of qualification in the audit report on the consolidated financial statements.

During the year ended 31 March 2015, ACBIL (in accordance with above) has restated the investment in Global Coal and Mining Private Limited. As a result of this restatement, the cost of investment has increased by Rs. 1,144,780,000 and securities premium have increased by Rs. 1,144,780,000.

32. The Company has an outstanding litigation in relation to a notice from the Ministry of Home Affairs, Government of India ("MHA") to appear before MHA pursuant to allegations of pilferage of coal. The said allegation was made to MHA against the Company by the Central Empowered Committee ("CEC") set up by the Hon'ble Supreme Court of India. The Company had attended the hearing before MHA on 8 February 2010. Subsequently, on 18 February 2010, the Company made representations in writing in relation to certain additional information sought by the MHA on the disposal of coal rejects generated from the beneficiation process by the Company. The Company has neither received any further correspondence from the MHA in this regard nor was the matter listed for hearing in the Hon'ble Supreme Court since the above referred enquiry was directed by the Court through CEC. The matter is sub-judice before the Hon'ble Supreme Court. A legal opinion has been sought and the management believes that final outcome will not have any significant impact on the Company's financial position and on operations.

## **ACB (India) Limited**

### **Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

33. The Company has a liability towards payment of energy duty to Chhattisgarh Government on the operations of its thermal power plants operating in Chhattisgarh. Approximately, 85.6% of the electricity generated from its 270MW Thermal Power Plant is scheduled to Gujarat Urja Vikas Nigam Limited ('GUVNL'). Since the energy duty was not payable at the time of submission of bid against tenders invited by GUNVL, the Company had recorded 85.6% of the energy duty liability for its 270MW Thermal Power Plant as recoverable from GUNVL. As per the terms of the Power Purchase Agreement ('PPA') with GUNVL, such claim comes under the provisions of 'Change in Law' which is payable once approved by the Gujarat Electricity Regulatory Commission ('GERC').

Accordingly, the Company had filed a petition with GERC on 21 February 2014. GERC after going through the submissions the Company and GUVNL has in its award passed on 01 July 2015 decided the case in favour of the Company. Subsequent to this order, the Company is in the process of submission of its claim to GUNVL.

34. The Company and one subsidiary company have overdue trade receivables and security deposit receivable, amounting to Rs. 482,869,161 (previous year Rs. 482,869,161) and Rs. 8,500,000 (previous year Rs. 8,500,000) respectively, from Karnataka Power Corporation Limited (KPCL) relating to sale of beneficiated coal. The matter regarding recovery of amount receivable from KPCL is subjudice and pending for final hearing with the Hon'ble High Court, Karnataka.

Further, during the year ended 31 March 2013, the Company and the subsidiary company had filed civil suit in the appropriate court for the recovery of its amount. Also, the notice has been issued by the court to KPCL to file their written statement. KPCL in its written statement contested the claim of the Group and denied to any amount payable to the above companies. However, based on the merits of the case, management is confident of recovery of the entire outstanding balance.

#### **35. General description of defined benefit plan**

##### **a. Defined contribution plan:**

Amount of Rs. 45,091,478 (previous year Rs. 38,398,727) pertaining to employers' contribution to provident fund, pension fund, labour welfare fund and administration charges is recognized as an expense and included in "Employee benefit expenses" in Note 25.

##### **b. Defined benefit plan:**

###### **Gratuity plan:**

The respective company of the Group operates a gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the respective company of the Group at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. However, the condition of completion of 5 years of service is not applicable where separation is on account of disability or death of an employee. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

**ACB (India) Limited**
**Notes to consolidated financial statements for the year ended 31 March 2015**
*(All amounts are in Rupees, unless otherwise stated)*
**The Gratuity Fund**

The following table sets forth the status of the Gratuity Plan of the respective company of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
<b><u>Changes in the present value of defined benefit obligation</u></b>		
Projected benefit obligation at the beginning of year	95,488,710	92,962,628
Current service cost	12,797,984	14,432,593
Interest cost	9,765,766	8,450,961
Actuarial loss/(gain)	27,622,505	(18,782,950)
Past service cost	-	-
Unrecognised past service cost	-	-
Benefits paid	(1,973,959)	(2,959,416)
Projected benefit removed upon cessation of subsidiary	-	-
<b>Projected benefit obligation at the end of the year</b>	<b>143,701,006</b>	<b>94,103,816</b>
<b><u>Changes in the fair value of plan assets</u></b>		
Fair Value of Plan Assets at the beginning of the year	12,524,042	9,804,394
Expected return on plan assets	1,030,463	763,685
Contributions	1,871,554	3,886,510
Benefits paid	(1,978,856)	(2,959,416)
Actuarial (loss)/gain	46,523	114,645
<b>Fair Value of Plan Assets at the end of the year</b>	<b>13,493,726</b>	<b>11,609,818</b>
Projected benefit obligation at the end of the year	143,701,006	94,103,816
Fair value of plan assets at the end of the year	13,493,726	11,609,818
<b>Funded status of the plans – asset/ (liability)</b>	<b>(130,207,280)</b>	<b>(82,493,998)</b>
<b>Asset/(liability) recognised in the Consolidated Balance sheet</b>	<b>(130,207,280)</b>	<b>(82,493,998)</b>
<b><u>Expense recognised in the Consolidated Statement of Profit and Loss</u></b>		
Current service cost	12,797,984	14,432,593
Interest cost on benefit obligation	9,765,766	8,450,961
Expected return on plan assets	(1,030,463)	(763,685)
Net actuarial (gain)/loss recognised during the year	27,575,982	(18,897,595)
Premium expenses	4,897	-
Benefits paid	-	-
<b>Net gratuity cost</b>	<b>49,114,166</b>	<b>3,222,274</b>
Present value of funded and unfunded obligations	143,701,006	94,103,816
Fair value of plan assets	(13,493,726)	(11,609,818)
Unrecognised past service cost	-	-
Amount not recognised as an asset	-	-
<b>Net liability</b>	<b>130,207,280</b>	<b>82,493,998</b>
<b><u>Amounts in Consolidated Balance Sheet</u></b>		
Liability	130,207,280	82,493,998
Asset	-	-
<b><u>Net liability is bifurcated as follows:</u></b>		
Short term	10,493,556	5,888,710
Long term	119,713,724	76,605,288
<b>Net liability</b>	<b>130,207,280</b>	<b>82,493,998</b>

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***Experience adjustments:**

	For the year/period ended					
	31 March 10	31 March 11	31 March 12	31 March 13	31 March 14	31 March 2015
Defined Benefit Obligation	35,152,244	57,458,229	68,437,744	92,962,928	94,103,816	143,701,006
Plan Assets	3,334,240	5,473,124	7,246,151	9,804,394	11,609,818	13,493,726
Net liability recognised in financials	(31,818,004)	(51,985,105)	(61,191,593)	(83,158,534)	(82,493,998)	(130,207,280)
Experience adjustments on Plan Liabilities	1,500,648	4,743,342	1,544,428	2,634,849	(2,018,377)	1,190,038
Experience adjustments on Plan Assets	1,971	27,755	27,621	85,663	114,645	5,721,665

**Principal actuarial assumptions at the Consolidated Balance Sheet date are as follows:****Economic assumptions:**

The principal assumptions are the discount rate and salary escalation rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. The assumptions used are summarized in the following table:

	Assumptions as at 31 March 2015	Assumptions as at 31 March 2014
Discount rate	7.90%	9.35%
Salary growth rate	10.00%	10.00%

**Demographic assumptions:**

	Assumptions as at 31 March 2015	Assumptions as at 31 March 2014
Retirement age	60, 65 and 70 years	60, 65 and 70 years
Mortality table	IAL (2006-08) Ult table	IAL (2006-08) Ult table
Employee turnover	21 - 30 years- 5%	21 - 30 years- 5%
	31 - 40 years- 3%	31 - 40 years- 3%
	41 - 50 years- 2%	41 - 50 years- 2%
	51 and above- 1%	51 and above- 1%

**36. Operating leases**

The Aryan Group has taken residential accommodation for its employees, railway siding, office space and guest house under cancellable operating lease arrangements. Lease rental expenses charged during the year to the Consolidated Statement of Profit and Loss amount to Rs. 152,611,549 (previous year Rs. 93,030,344). Further, lease rental expenses have been charged to incidental expenses pending capitalization being part of capital work in progress amounting to Rs. 5,393,280 (previous year Rs. 2,335,780).

**37. Transactions requiring relevant approvals:**

The Company, AEPL and KCWPL had during the year ended 31 March 2014 & 31 March 2010, 31 March 2012 & 31 March 2011, 31 March 2011 & 31 March 2010 respectively, entered into transactions of purchases and sales of goods and services with private companies and partnership firms, in which director(s) of the Company are director(s) and/or partner. Since the paid up share capital of the Company/AEPL/KCWPL is more than one crore and has common directorship/ common partners with other companies/partnership firms at the time of entering into such transactions, prior approval of the central government under section 297 of the Companies Act, 1956 is required. In majority of the cases, such approval is in place, however, there are certain cases of lapse due to commission/omission.

Above companies have subsequent to the year end, filed an application to Ministry of Corporate Affairs ('MCA'), for compounding of the above matter, respectively. However, reply from MCA is awaited. The management believes that the above will not have significant impact on the consolidated financial statements.

**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

38. Following are the disclosures in respect of outstanding derivative contracts:

<b>Category of derivative instrument</b>	<b>Purpose of the derivative instrument</b>	<b>Outstanding Principal (in USD) as at 31 March 2015</b>	<b>Outstanding Principal (in USD) as at 31 March 2014</b>
Cross currency principal interest rate swap	To hedge repayment of foreign currency loan and interest thereon and swap of floating interest with fixed rate.	40,733,334 For 5 contracts	73,900,000 For 6 contracts

Further, the respective company of the Group have not entered into any derivative instrument for speculation purpose.

39. During the period ended 31 March 2015, interest (net of interest credited) aggregating to Rs. 2,177,358,078 (previous year Rs. 766,491,066) has been capitalised to fixed assets/ capital work-in-progress.

40. Respective company of the Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961, wherever applicable. Since the law requires such information and documentation to be contemporaneous in nature, respective company of the Group has maintained adequate documentation of the transactions entered into with the associated enterprises. In respect of domestic transactions entered into with the specified persons during the financial year, respective company of the Group is in the process of updating the documentation. Respective company of the Group expects these records to be in existence in accordance within the due dates as per the requirements of the law. The management of respective company of the Group is of the opinion that its international and specified domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.

41. Pursuant to Memorandum of Understanding (MoU) entered between the Company and Government of Chhattisgarh (GoCG), ACPGPL signed an Implementation Agreement (IA) dated 18 February 2010, read with amendment thereto, with GoCG for setting up 1100MW Thermal Power Plant in the state of Chhattisgarh. ACPGPL has applied for coal linkage and environmental clearance for the above project. Pending coal linkage and environmental clearance, there has been delay in commencement of construction activities of the above project. The management is taking necessary action as advised from time to time by relevant authorities and expects to receive the necessary clearances soon.

42. Pursuant to Memorandum of Understanding (MoU) entered between the Company and Government of Madhya Pradesh (GoMP), AMPPGPL signed an Implementation Agreement (IA) dated 27 May 2008, read with amendment thereto, with GoMP for setting up 1200MW Thermal Power Plant in the state of Madhya Pradesh. AMPPGPL has acquired the requisite land and has applied for coal linkage and environmental clearance for the above project. Pending coal linkage and environmental clearance, there has been delay in commencement of construction activities of the above project. Keeping in view the delay in start of the project on account of reasons mentioned above, AMPPGPL has decided to charge off the expenses aggregating to Rs. 3,071,672 (previous year Rs. 5,042,340). The management is taking necessary action as advised from time to time by relevant authorities and expects to receive the necessary clearances soon.

43. During the year ended 31 March 2015, the Company and SCPL has changed the trigger plan date for 270MW Thermal Power Plant and 50MW Thermal Power Plant, respectively, being eligible for tax holiday period under Section 80-IA of the Income Tax Act, 1961. Accordingly deferred tax assets to the extent of Rs. 188,967,922 (previous year Rs. 108,552,554) have been considered for adjustment with deferred tax charge for the year ended 31 March 2015.

44. GCMPL has invested in share capital amounting to Rs. 445,918,150 (previous year Rs. 445,918,150) and share application money amounting to Rs. 66,069,150 (previous year Rs. 66,069,150) of XLR Capital (Cyprus) Limited ('XLRCL'). XLRCL has further invested in Yatra Dallol B.V., Sluiskil, Netherlands ('YD') as associated company. The Potash mining project in Ethiopia, which YD is presently pursuing is in the feasibility stage. Considering the nature of project, it takes a very long time for exploration. Basis the current developments, GCMPL is hopeful that the project will yield positive results in near future and this delay will not have any financial impact on the GCMPL. Accordingly, at this stage, no provision for diminution is required to be made for this investment made by GCMPL.



**ACB (India) Limited****Notes to consolidated financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***45. Disclosure pursuant to Accounting Standard (AS) 7 (Revised) “Construction Contracts”:**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Contract revenue recognised for the financial year	44,728,346	-
Contract costs incurred and recognised profits (less recognised losses, if any) upto the reporting date	44,728,346	-
Advance received	-	-
Retention amounts by customer for Contract work in progress as at the end of the financial year	3,648,205	-
Gross amount due from customer for contract work-presented as an assets	4,414,076	-
Gross amount due to customer for contract work - presented as liability	-	-

**46. As per Section 135 of the Companies Act, 2013 the following is the detail of Corporate social responsibility expenses incurred by the respective company of the Group:-**

Gross amount to be spent by the respective company of the Group during the year ended 31 March 2015 is Rs. 68,464,387.

Amount spent during the year ended 31 March 2015:

<b>Particulars</b>	<b>In Cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
(i) Construction/acquisition of any asset	15,465,374	-	15,465,374
(ii) On purposes other than (i) above	9,231,346	-	9,231,346

**47. During the current year, SCPL acquired 83.51% of equity share capital of SVPOWER for an agreed cash consideration of Rs. 13,848,727. Subsequent to acquisition, SCPL increased its holding to 91.93% of the equity share capital of SVPOWER through capital infusion of Rs. 1,124,289,800. The total consideration for the transaction was settled in cash during the current year. The difference between consideration paid and Group’s share in net asset acquired has been recognised as goodwill of Rs. 251,790,563.**

Taking control of SVPOWER will enable the Aryan Group to expand its thermal power and coal beneficiation business.

Post-acquisition, SVPOWER has contributed revenue of Rs. Nil and has incurred loss of Rs. 65,373,870.

**ACB (India) Limited**

**Notes to consolidated financial statements for the year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

48. Previous year's figures have been regrouped/ reclassified wherever necessary to confirm the current year classification.

As per our report of even date attached.

**For B S R & Company**

*Chartered Accountants*

ICAI Firm Registration No : 128032W

**For and on behalf of the Board of Directors**

Sd/-

**Pravin Tulsyan**

*Partner*

Membership No. 108044

Sd/-

**Rudra Sen Sindhu**

*Chairman cum Managing Director*

DIN: 00006999

Sd/-

**Vir Sen Sindhu**

*Jt. Managing Director*

DIN : 00034773

Sd/-

**Satish Kumar Sharma**

*Company Secretary*

Sd/-

**Sanjay Hasija**

*Chief Finance Officer*

Place : Gurgaon

Date : 18 July 2015

Place : Gurgaon

Date : 18 July 2015

# **ACB (India) Limited**

**Standalone Financial Statements  
for the year 2014-2015**

## **Independent Auditor's Report**

To the Members of ACB (India) Limited

### **Report on the Standalone Financial Statements**

We have audited the accompanying financial statements ('standalone financial statements') of ACB (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate

internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and cash flows for the year ended on that date.

## **Emphasis of Matters**

- a. We draw attention to note 28(d) with regard to dispute with one of the customers for quality of the beneficiated coal supplied by the Company. The customer has invoked bank guarantees of Rs. 200,934,000 (previous year Rs. 200,934,000) and raised further claim amounting to Rs. 75,266,900 (previous year Rs. 75,266,900) for recovery of cost of coal supplied by customer for beneficiation and penalties. The Company had filed an application seeking interim protection from the invocation of bank guarantees till the matter is decided by the Arbitral Tribunal. District Judge dismissed the plea of the Company and same was challenged by the Company before the Hon'ble High Court, Nagpur which also rejected the plea of the Company. After rejection of the plea of the Company by Hon'ble High Court, Nagpur, the Company has filed Special Leave Petition ('SLP') with Hon'ble Supreme Court of India.

In the meantime, the High Court of Judicature at Bombay, Nagpur Bench had appointed sole arbitrator to adjudicate the dispute. During the year ended 31 March 2015, the Company and the customer has filed its claim and counter claim (including claim towards power generation loss, which is considered as baseless by the Company) respectively with the Arbitrator. The matter is under litigation, however the management believes that the final outcome of the litigation will not have significant financial impact and accordingly, no provision is required against the claims of the customer. Our report is not modified in respect of this matter.

- b. We draw attention to note 31 which explains the management's assessment of overdue receivable amounting to Rs. 169,637,952 (previous year Rs. 169,637,952) from one of the customer of the Company, relating to the sale of beneficiated coal. The Company, based on the agreed terms of contract and present negotiations, is confident of recovering the entire outstanding amount and hence considers that no provision for doubtful debt and advances is required at this stage. Our report is not modified in respect of this matter.
- c. attention is invited to note 35 with regard to certain transactions entered into by the Company with certain parties covered under section 297 of the Companies Act, 1956, amounting to Rs. 11,953,556 during the year ended 31 March 2014, which are in excess of approval obtained from the Central Government and Rs. 10,305,567 during the year ended 31 March 2010, in respect of which prior approval of the Central Government had not been obtained, as envisaged under that section, by the Company.

Subsequent to the year end, the Company has filed an application to Ministry of Corporate Affairs ('MCA') for compounding of the above matter. However, reply from MCA is still awaited, the management believes that the impact of above will not have significant impact on the standalone financial statements. Our report is not modified in respect of this matter.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) the matters described in sub-paragraphs under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f) on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the 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:
    1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer note 28(a), 28(d), 28(e), 30, 31 and 32 of the standalone financial statements.
    2. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
    3. The Company did not have any dues on account of Investor Education and Protection Fund.

*For B S R & Company*  
*Chartered Accountants*  
ICAI Firm Registration No: 128032W

Sd/-  
**Pravin Tulsyan**  
*Partner*  
Membership No. 108044

Place: Gurgaon  
Date: 23 May 2015

## **Annexure to the Auditor's report**

The Annexure referred to in our report to the members of ACB (India) Limited for the year ended 31 March 2015. We report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. According to that programme, the Company has during the year physically verified certain assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed during physical verification of fixed assets.
- (ii) (a) According to the information and explanations given to us, the inventories, except goods-in-transit and stock lying with third parties, have been physically verified by the management at the year end. In our opinion, the frequency of such verification is reasonable. For stock lying with third parties at the year end, written confirmations have been obtained.
  - (b) In our opinion and according to the information and explanations given to us, the procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) According to the information and explanations given to us, and on the basis of our examination of the records of the inventories, we are of the opinion that the Company is maintaining proper records of inventories. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, the Company has granted loans to companies covered in the register maintained under section 189 of the Act and the borrowers have been regular in repayment of principal and payment of interest on such loans as and when demanded by the Company. As per terms stipulated in loan agreements, principal and interest on loans are payable on demand.  
According to the information and explanations given to us, the Company has not granted any loan to firms or other parties covered in the register maintained under section 189 of the Act.
  - (b) According to the information and explanations given to us, there is no overdue amount of more than Rupees one lakh in respect of loans granted to any of the companies covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanations that purchase of certain items of inventories and fixed assets are for the specialised requirements of the Company and similarly certain goods sold are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books of records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to ensure whether they are adequate 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, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Wealth Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, except for dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Value Added Tax, Service tax and Income tax, where there have been slight delays in few cases. As explained to us, the Company did not have any dues on account of Duty of Excise.

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, Value Added Tax, Wealth tax, Service tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Value Added Tax, Wealth tax, Service tax, Duty of Customs and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of dues	Amount involved (in Rs. lacs)#	Amount deposited (in Rs. lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	1,750.26	-	April 2006 to March 2007	Commissioner (Adjudication, New Delhi)
Income- tax Act, 1961	Income tax	19.96	-	Financial year 2007-08	High Court, New Delhi
Income tax Act, 1961	Income tax	52.71	52.71	Financial year 2008-09	Income Tax Appellate Tribunal (ITAT)
Chhatisgarh Value Added Tax	Value Added Tax	86.50	24.22	Financial year 2008-09	Appellate Tribunal (Commercial Tax / VAT), Raipur (C.G.)
Central Sales Tax- Chhatisgarh	Central Sales Tax	102.58	10.26	Financial year 2008-09	The Additional Commissioner of Commercial Tax (Appellate) Bilaspur- Chhatisgarh

#excluding interest and penalty as not quantified in the demand

- (c) The Company did not have any dues on account of Investor Education and Protection Fund.



- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers and financial institutions. The Company has been regular in payment of interest to its debenture holders and did not have any outstanding principal dues to debenture holders during the year.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (xii) According to the information and explanations given to us, no material frauds on or by the Company have been noticed or reported during the course of our audit.

*For B S R & Company*  
*Chartered Accountants*  
ICAI Firm Registration No: 128032W

Place: Gurgaon  
Date: 23 May 2015

Sd/-  
**Pravin Tulsyan**  
*Partner*  
Membership No. 108044

**ACB (India) Limited**  
**Balance Sheet as at 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

	Note	As at 31 March 2015	As at 31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	2,380,057,280	2,380,057,280
(b) Reserves and surplus	4	18,129,211,322	14,965,688,085
		<b>20,509,268,602</b>	<b>17,345,745,365</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	5	11,938,282,218	11,614,574,662
(b) Deferred tax liabilities (Net)	6	1,120,926,773	1,273,064,815
(c) Other long-term liabilities	7	251,377,299	250,000,000
(d) Long-term provisions	8	89,212,492	60,799,123
		<b>13,399,798,782</b>	<b>13,198,438,600</b>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	9	2,972,016,285	3,972,245,383
(b) Trade payables	10	857,530,438	404,790,753
(c) Other current liabilities	7	3,375,542,218	3,051,049,252
(d) Short-term provisions	8	138,838,336	154,222,771
		<b>7,343,927,277</b>	<b>7,582,308,159</b>
<b>TOTAL</b>		<b>41,252,994,661</b>	<b>38,126,492,124</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
-Tangible assets	11	14,975,264,144	16,010,836,114
-Intangible assets	11	13,738,019	3,120,931
-Capital work-in-progress		1,040,613,467	824,461,906
		<b>16,029,615,630</b>	<b>16,838,418,951</b>
(b) Non-current investments	12	17,688,485,851	13,802,959,486
(c) Long-term loans and advances	13	902,434,954	1,641,947,376
(d) Other non-current assets	14	534,570,128	583,745,908
		<b>19,125,490,933</b>	<b>16,028,652,770</b>
<b>(2) Current assets</b>			
(a) Inventories	15	2,019,775,717	1,340,999,760
(b) Trade receivables	16	3,070,630,701	2,683,236,029
(c) Cash and bank balances	17	351,149,132	404,214,771
(d) Short-term loans and advances	13	408,478,697	667,094,582
(e) Other current assets	18	247,853,851	163,875,261
		<b>6,097,888,098</b>	<b>5,259,420,403</b>
<b>TOTAL</b>		<b>41,252,994,661</b>	<b>38,126,492,124</b>
<b>Significant accounting policies</b>	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

**For B S R & Company**  
Chartered Accountants  
ICAI Firm Registration No : 128032W

Sd/-  
**Pravin Tulsyan**  
Partner  
Membership No.: 108044

Place : Gurgaon  
Date : 23 May 2015

**For and on behalf of the Board of Directors**

Sd/-  
**Rudra Sen Sindhu**  
Chairman cum Managing Director  
DIN: 00006999

Sd/-  
**Satish Kumar Sharma**  
Company Secretary

Place : Gurgaon  
Date : 23 May 2015

Sd/-  
**Vir Sen Sindhu**  
Jt. Managing Director  
DIN : 00034773

Sd/-  
**Sanjay Hasija**  
Chief Finance Officer

**ACB (India) Limited**  
**Statement of Profit and Loss for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014	
<b>I</b>	Revenue from operations	19	14,203,181,006	12,474,554,705
<b>II</b>	Other income	20	196,815,862	292,438,092
<b>III</b>	<b>Total revenue (I+II)</b>		<b>14,399,996,868</b>	<b>12,766,992,797</b>
<b>IV</b>	<b>Expenses:</b>			
	Purchases of coal		1,498,126,181	2,050,857,589
	Changes in inventories of coal and work-in-progress	21	(636,917,521)	184,396,488
	Power, fuel and water charges		670,240,916	690,220,786
	Consumption of chemicals		33,377,651	27,082,324
	Transportation and loading charges		3,033,744,584	1,821,177,822
	Purchase of equipment and other engineering services charges		35,854,723	-
	Employee benefits	22	901,151,578	750,096,119
	Finance costs	23	2,290,639,258	1,993,731,866
	Depreciation and amortisation expense	11	1,120,921,342	928,200,595
	Other expenses	24	2,812,678,664	2,294,802,810
	<b>Total expenses</b>		<b>11,759,817,376</b>	<b>10,740,566,399</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>2,640,179,492</b>	<b>2,026,426,398</b>
<b>VI</b>	<b>Tax expense:</b>			
	Current tax		672,785,287	398,969,158
	Less: Minimum alternate tax credit entitlement		-	78,003,107
	Net current tax		672,785,287	320,966,051
	Deferred tax (credit)/ charge		(152,138,042)	227,075,351
	Wealth tax		1,150,000	860,000
			<b>521,797,245</b>	<b>548,901,402</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>2,118,382,247</b>	<b>1,477,524,996</b>

**Earnings per share** 25

Basic and diluted earning per equity share (in Rs.) [Face value Rs. 10 each] **8.90** **6.21**

**Significant accounting policies** 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

**For B S R & Company**  
Chartered Accountants  
ICAI Firm Registration No : 128032W

Sd/-  
**Pravin Tulsyan**  
Partner  
Membership No.: 108044

**For and on behalf of the Board of Directors**

Sd/-  
**Rudra Sen Sindhu**  
Chairman cum Managing Director  
DIN: 00006999

Sd/-  
**Satish Kumar Sharma**  
Company Secretary

Sd/-  
**Vir Sen Sindhu**  
Jt. Managing Director  
DIN : 00034773

Sd/-  
**Sanjay Hasija**  
Chief Finance Officer

Place : Gurgaon  
Date : 23 May 2015

Place : Gurgaon  
Date : 23 May 2015

## ACB (India) Limited

## Cash Flow Statement for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>A) Cash flow from operating activities:</b>		
Net profit before tax	2,640,179,492	2,026,426,398
<b>Adjustments for :</b>		
Depreciation and amortisation	1,120,921,342	928,200,595
(Profit)/loss on sale of assets	49,939,182	(154,833)
Bad debts written off	3,250,746	5,836,925
Bad debts recovered	(26,625)	-
Sundry balances written back	-	(3,038,328)
Sundry balances written off	1,169,692	-
Finance costs	2,290,639,258	1,993,731,866
Interest income	(41,655,068)	(74,048,805)
Dividend income	(122,956,007)	(122,992,997)
Forward premium amortised	2,652,352	5,948,869
Unrealised foreign exchange loss/(gain) (net)	-	26,904,676
Capital work in progress written-off	3,422,012	3,140,550
<b>Operating profit before working capital changes</b>	<b>5,947,536,376</b>	<b>4,789,954,916</b>
<b>Adjustments for :</b>		
Increase in other liabilities	140,411,184	52,262,004
Increase in long term and short term provisions	32,514,295	2,277,024
Increase/ (Decrease) in trade payables	451,569,993	(257,577,267)
Decrease in loans and advances	12,638,584	229,501,320
(Increase)/ Decrease in inventories	(678,775,957)	69,282,779
(Increase)/ Decrease in trade receivables	(390,618,793)	68,971,188
(Increase)/ Decrease in other current assets	(90,081,928)	137,619,657
<b>Cash generated from operations</b>	<b>5,425,193,754</b>	<b>5,092,291,621</b>
Taxes paid (net) (including wealth tax)	(527,994,043)	(476,103,936)
<b>Net cash flow from operating activities (A)</b>	<b>4,897,199,711</b>	<b>4,616,187,685</b>
<b>B) Cash flow from investing activities:</b>		
Purchase of fixed assets/ capital work-in-progress	(703,885,546)	(1,071,135,181)
Sale of fixed assets	93,983,263	681,141
Share application money paid	(461,417,190)	(1,669,700,000)
Share application money received back	461,417,190	1,605,700,000
Movement of fixed deposits	(4,767,213)	632,849,352
Purchase of investments	(2,202,046,365)	(5,048,215,129)
Inter-corporate deposit paid	(117,281,310)	(1,860,800,000)
Inter-corporate deposit paid received back	418,000,000	1,540,800,000
Interest income	45,106,054	96,810,530
Dividend income	122,956,007	122,992,997
<b>Net cash used in investing activities (B)</b>	<b>(2,347,935,110)</b>	<b>(5,650,016,290)</b>
<b>C) Cash flow from financing activities:</b>		
Proceeds from long-term and short-term borrowings	14,572,599,473	6,700,000,000
Repayment of long-term and short-term borrowings	(14,599,634,751)	(3,549,364,379)
Inter-corporate deposit received	50,000,000	-
Inter-corporate deposit paid back	(50,000,000)	-
Movement of cash credits	(150,229,098)	(160,623,741)
Dividend and tax on dividend	(119,394,465)	(119,376,665)
Finance costs	(2,255,620,549)	(2,044,680,446)
<b>Net cash flow (used in)/ from financing activities (C)</b>	<b>(2,552,279,390)</b>	<b>825,954,769</b>
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(3,014,789)	(207,873,836)
E) Cash and cash equivalents as at the beginning of the year (refer note 17)	132,115,755	339,989,591
<b>F) Cash and cash equivalents as at the end of the year (refer note 17)</b>	<b>129,100,966</b>	<b>132,115,755</b>

**Note:**

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard (AS)-3 on Cash Flow Statements' as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014

As per our report of even date attached

For B S R &amp; Company

Chartered Accountants

ICAI Firm Registration No : 128032W

Sd/-

Pravin Tulsyan

Partner

Membership No.: 108044

For and on behalf of the Board of Directors

Sd/-

Rudra Sen Sindhu

Chairman cum Managing Director

DIN: 00006999

Sd/-

Vir Sen Sindhu

Jt. Managing Director

DIN : 00034773

Sd/-

Satish Kumar Sharma

Company Secretary

Sd/-

Sanjay Hasija

Chief Finance Officer

Place : Gurgaon

Date : 23 May 2015

Place : Gurgaon

Date : 23 May 2015

## **ACB (India) Limited**

### **Notes to financial statements for year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

#### **1. Background**

ACB (India) Limited ('the Company') is a flagship company of Aryan Group. The Company was incorporated on 14 March 1997. Primary business of the Company is beneficiation of coal and sale of coal. The Company has set-up 6 coal washeries in Chhattisgarh, Maharashtra and Odisha.

Besides coal beneficiation business, the Company is into power generation through 330 MW thermal power plants and 15 MW wind mill plant. Power plant operations are mainly supported by Power Purchase Agreements (PPAs) with State Electricity Boards.

#### **2. Significant accounting policies**

##### **a. Basis of preparation of financial statements**

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees.

##### **b. Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialized. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### **c. Current–non-current classification**

All assets and liabilities are classified into current and non-current.

##### **i. Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- (1) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (2) It is held primarily for the purpose of being traded;
- (3) It is expected to be realised within 12 months after the reporting date; or
- (4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### **ii. Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- (1) It is expected to be settled in the Company's normal operating cycle;
- (2) It is held primarily for the purpose of being traded;
- (3) It is due to be settled within 12 months after the reporting date; or
- (4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

**ACB (India) Limited**

**Notes to financial statements for year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has ascertained its operating cycle being a period within 12 months for the purpose of classification of assets and liabilities as current and non-current.

**d. Inventories (valued at lower of cost and net realisable value)**

Inventories are valued at lower of cost and net realisable value. The basis for determination of cost of various categories of inventories are as follows:

**i. Coal owned by the Company:**

(1) Raw coal:

These are valued at cost of raw coal and cost incurred to bring the raw coal to its present location and condition, computed on first in first out basis (FIFO).

(2) Beneficiated coal:

These are valued at cost of raw coal as computed above and appropriate portion of processing and other overheads incurred to bring the beneficiated coal to its present location and condition.

(3) Coal rejects:

These consist of rejects generated out of coal beneficiation process and/or coal rejects purchased. The cost is ascertained by apportioning the total cost attributable to the category of coal generated/ purchased, considering appropriate basis.

(4) Blended coal:

These consist of blending of different categories of coal and valued at the proportionate value of inputs used.

**ii. Work-in-progress for raw coal and beneficiated coal belonging to the customer:**

Work-in-progress represents the cost incurred on beneficiation of coal on behalf of customers. This comprises cost towards raw coal transportation, beneficiation of raw coal and transportation of beneficiated coal to bring the coal to its present location and condition.

**iii. Fuel for thermal power plants:**

Value/cost of fuel for thermal power plants is computed on first in first out basis (FIFO).

**iv. Stores and spare parts:**

Value/cost of stores and spare parts is computed on first in first out basis (FIFO).

**e. Revenue recognition**

**i. Coal operations:**

(1) Coal beneficiations and allied receipts:

Revenue from raw coal beneficiation and allied receipts is recognised on attainment of the said activity. Such activity is regarded as being attained when no significant uncertainty exists regarding the amount of consideration that will be derived from the performance of such activity and the activity is completed or substantially completed. The amount recognised as revenue is exclusive of service tax and is net of returns.

**ACB (India) Limited**  
**Notes to financial statements for year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

(2) Sale of coal:

Revenue from sale of coal is recognised when coal is dispatched to the customers, which coincides with the transfer of significant risks and rewards. The amount recognised as revenue is exclusive of sales tax, value added tax (VAT) and is net of returns.

**ii. Power operations:**

Revenue from sale of thermal power and wind power is recognised based on tariffs as per the terms of the Power Purchase Agreements and arrangements entered into by the Company with respective customers.

**iii. Engineering, procurement and construction:**

Revenue from long-term construction contracts in accordance with Accounting Standard-7 on "Construction Contracts" is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost or completion of a physical portion of the contract work depending on the nature of contract, whichever is appropriate. Where the total cost of the contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year.

**iv. Other income:**

(1) Interest income:

Interest income is recognised on a time proportion basis considering the contracted rate of return.

(2) Dividend income:

Dividend income is recognised when the shareholders' right to receive payment is established.

**f. Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred upto the date of commissioning of the assets. Fixed assets under construction, and cost of asset not ready to use before the reporting date are disclosed as capital work in progress. Assets held for disposal are stated at their estimated residual values as at the balance sheet date.

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, such costs are allocated to respective fixed assets.

*For assets used for power operations:*

Pursuant to Part 'B' of Schedule II to the Act, the useful life or residual value of any specific asset, as notified for accounting purposes by a Regulatory Authority constituted under an Act of Parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule.

Ministry of Power, Government of India vide resolution dated 6th January 2006, has notified Tariff Policy in terms of section 3 of the Electricity Act, 2003. The said Tariff Policy inter alia provides that rates of depreciation as notified by Central Electricity Regulatory Commission (CERC) would be applicable for the purpose of tariffs as well as accounting. CERC has also notified the rates of depreciation as well as methodology for computing such depreciation and depreciation is to be provided up to 90% of the cost of asset, based on straight line method of calculating the depreciation.

## **ACB (India) Limited**

### **Notes to financial statements for year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

*For assets used for coal beneficiation operations and others:*

Upto 31 March 2014, depreciation was provided on pro-rata basis as per written down value (WDV) method at the rates prescribed under Schedule XIV of the Companies Act, 1956 and assets individually costing upto Rs. 5,000 were fully depreciated in the year of purchase.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rate on certain fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act. As a result of this change, the depreciation charge for the year ended on 31 March 2015 is higher by Rs. 161,353,662, which includes an amount of Rs. 20,418,023 in respect of assets whose useful life is already exhausted as on 1 April 2014.

*Leasehold assets:*

Leasehold assets are amortised over the period of lease. Leasehold improvements are amortised over the remaining period of lease or the useful lives of assets as determined by the management in accordance with the policy stated above, whichever is shorter.

#### **g. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Investments in foreign subsidiary company are expressed in Indian currency at the rates prevailing on the date when the remittance for the purpose was made/ foreign currency balance lying abroad was used, as the case may be.

#### **h. Foreign currency transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

The premium or discount that arises on entering into a forward exchange contract is measured by the difference between the exchange rate at the date of the inception of the forward exchange contract and the forward rate specified in the contract and is amortised as expense or income over the life of the contract. Exchange difference on a forward exchange contract is the difference between (a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and (b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date.



**ACB (India) Limited**  
**Notes to financial statements for year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

*Derivative instruments:*

Apart from foreign exchange contracts taken to hedge existing assets or liabilities, the Company also uses the derivatives to hedge its foreign currency risk exposures relating to firm commitments and highly forecast transactions. In accordance with relevant announcements of the Institute of Chartered Accountants of India, the Company provides for net losses in respect of such outstanding derivative contracts at the balance sheet date by marking them to market and net gain, if any, is not recognised. The contracts are aggregated category-wise, to determine the net gain or loss.

**i. Employee benefits**

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, leave encashment etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

*Defined contribution plans:*

A defined contribution plan i.e. provident fund is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

*Defined benefit plans:*

A defined benefit plan i.e. gratuity, is a post-employment benefit plan.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employee have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. The calculation is performed annually by an independent actuary using the projected unit credit actuarial method. When the calculation results in a benefit to the Company, the asset is recognised only to the extent of the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

**j. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits with banks with original maturity of three months or less.

**k. Borrowing costs**

Borrowing costs are interest, ancillary cost and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs incurred by the Company in connection with the borrowing of funds.

Borrowing costs (net of income on the temporary investment of those borrowings) that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a period of one year or more to get ready for its intended use. All other borrowing costs are charged to revenue.

**ACB (India) Limited**  
**Notes to financial statements for year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**l. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease payments under operating lease arrangements are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

**m. Earnings per share**

In computing earnings per share, the Company considers net profit/ (loss) after tax. Basic earnings per share are computed by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period, except where results would be anti-dilutive.

**n. Taxes**

Income-tax expenses comprise current tax (i.e. the amount of tax for the year determined in accordance with the Income-tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax implications of timing differences, that originate during the tax holiday period and reverse after the tax holiday period are recognised in the year in which timing differences originate.

**Minimum Alternative Tax (MAT)**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

**o. Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Accounting Standard 28 'Impairment of Assets' to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

**ACB (India) Limited**

**Notes to financial statements for year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

**p. Provisions and contingencies**

The Company recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the year end. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. Contingent liabilities are also disclosed for present obligations in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote, no disclosure or provision is made.

**ACB (India) Limited**

Notes to financial statements for the year ended 31 March 2015  
(All amounts are in Rupees, unless otherwise stated)

**3. Share capital**

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
<i>Authorised share capital</i>				
Equity shares of Rs. 10 each	1,000,000,000	10,000,000,000	1,000,000,000	10,000,000,000
<i>Issued, subscribed and fully paid up</i>				
Equity shares of Rs. 10 each	238,005,728	2,380,057,280	238,005,728	2,380,057,280
		<u>2,380,057,280</u>		<u>2,380,057,280</u>

**a. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	238,005,728	2,380,057,280	238,005,728	2,380,057,280
At the end of the year	<u>238,005,728</u>	<u>2,380,057,280</u>	<u>238,005,728</u>	<u>2,380,057,280</u>

**b. Term and rights attached to fully paid up equity shares**

The Company has only one type of equity shares having par value of Rs.10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c. Details of shareholders holding more than 5% shares in the Company**

Names	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% age of shares held	No. of Shares	% age of shares held
<b>Equity shares of Rs. 10 each, fully paid up held by</b>				
Pineridge Investment Ltd	52,162,514	21.92	52,162,514	21.92
Rudra Sen Sindhu (Chairman-cum-Managing Director)	39,464,455	16.58	39,464,455	16.58
Vir Sen Sindhu (Jt. Managing Director)	27,510,211	11.56	27,510,211	11.56
Kuldeep Singh Solanki (Director)	27,360,280	11.50	27,360,280	11.50
Vrit Pal Sindhu (Director)	16,932,117	7.11	16,932,117	7.11
<b>Total</b>	<u>163,429,577</u>	<u>68.67</u>	<u>163,429,577</u>	<u>68.67</u>

**d. Aggregate number of shares issued for consideration other than cash during five years immediately preceding the Balance Sheet date:**

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Equity shares of Rs. 10 each allotted as bonus shares	-	-	-	-	118,741,564

**4. Reserves and surplus**

	As at 31 March 2015	As at 31 March 2014
<b>Securities premium account</b>		
Opening balance	3,041,672,922	3,041,672,922
Add: addition during the year (refer note 29)	1,144,780,000	-
<b>Closing balance</b>	<u>4,186,452,922</u>	<u>3,041,672,922</u>
<b>Debenture redemption reserve</b>		
Opening balance	37,928,906	-
Add: addition during the year	119,175,347	37,928,906
<b>Closing balance</b>	<u>157,104,253</u>	<u>37,928,906</u>
<b>General reserve</b>		
Opening balance	278,306,928	278,306,928
<b>Closing balance</b>	<u>278,306,928</u>	<u>278,306,928</u>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening balance	11,607,779,329	10,307,410,640
Add: Tax credit of corporate dividend tax on dividend received from subsidiary company	19,832,936	-
Add: Profit for the year	2,118,382,247	1,477,524,996
Less: Appropriations		
-Proposed dividend	119,002,864	119,002,864
-Corporate dividend tax*	469,082	20,224,537
-Debenture redemption reserve	119,175,347	37,928,906
<b>Closing balance</b>	<u>13,507,347,219</u>	<u>11,607,779,329</u>
<b>Total reserves and surplus</b>	<u>18,129,211,322</u>	<u>14,965,688,085</u>

\* Net of credit taken for corporate dividend tax payable by wholly owned subsidiary of Rs. 23,757,020 (previous year nil)

**ACB (India) Limited**

**Notes to financial statements for the year ended 31 March 2015**  
(All amounts are in Rupees, unless otherwise stated)

**5. Long-term borrowings**

	As at		As at		As at		As at	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	<b>Current maturities</b>		<b>Non-current portion</b>		<b>Total</b>			
<b>Secured debentures:</b>								
Non-convertible debentures	-	-	2,550,000,000	1,600,000,000	2,550,000,000	1,600,000,000	2,550,000,000	1,600,000,000
	-	-	<b>2,550,000,000</b>	<b>1,600,000,000</b>	<b>2,550,000,000</b>	<b>1,600,000,000</b>	<b>2,550,000,000</b>	<b>1,600,000,000</b>
<b>Secured term loans:</b>								
-From banks	2,679,731,929	2,252,068,606	9,388,282,218	9,611,774,662	12,068,014,147	11,863,843,268		
-From others	-	32,400,000	-	402,800,000	-	435,200,000		
	<b>2,679,731,929</b>	<b>2,284,468,606</b>	<b>9,388,282,218</b>	<b>10,014,574,662</b>	<b>12,068,014,147</b>	<b>12,299,043,268</b>		
Less: amount disclosed under the head "Other current liabilities" (refer note 7)	2,679,731,929	2,284,468,606						
	-	-	<b>11,938,282,218</b>	<b>11,614,574,662</b>	<b>14,618,014,147</b>	<b>13,899,043,268</b>		

**Footnotes:**

**(a) Secured debentures**

**Nature of security**

i) Rs. 550,000,000 (previous year Rs. 550,000,000) is secured by way of property being land measuring 5.209 hectares situated at village Dipka, Tehsil Khatgora, Chhattisgarh and property being land measuring 2.201 hectares situated at village Dipka, Tehsil Khatgora, Chhattisgarh and movable fixed assets, both present and future, in respect 6.25 MTPA Coal Washery at Gevra, Chhattisgarh.

ii) Rs. 950,000,000 (previous year Rs. 950,000,000) is secured by way of property being land measuring 13.247 Hectares situated at village Batari, Tehsil Katghora, Chhattisgarh together with all buildings and structures hereon attached to the earth or permanently fastened to anything attached to the earth both present and future and land measuring 64 Kanal 18 Marlas situated at Salawas, Tehsil & Distt Rewari, Haryana belonging to Aryan Clean Coal Technologies Private Limited (ACCTPL), a subsidiary company, together with all building structures plant and machinery attached to the earth, both present and future, and movable assets of the ACCTPL's at village Salawas, Tehsil and Distt Rewari, Haryana including plant and machinery both tangible & intangible more particularly described in Schedule II to Deed Hypothecation .

iii) Rs. 100,000,000 (previous year Rs. 100,000,000) is secured by way of Pari passu first charge on the movable properties of the Talcher, Odisha coal washery plant of Aryan Energy Private Limited, a subsidiary company.

iv) Rs. 350,000,000 (previous year Rs. Nil) is secured by way of mortgage by deposit of title deeds created in respect of property being land measuring Acre 7.39 decimal together with all buildings and structures and all plant and machinery of the Talcher, Odisha coal washery plant of Aryan Energy Private Limited, a subsidiary company.

v) Rs. 600,000,000 (previous year Rs. Nil) will be secured as per the terms of Self Disclosure Document filed with BSE Limited.

**(b) Secured term loans from banks**

i) Rs. Nil (previous year Rs. 125,000,000) was secured by way of exclusive charge on all movable and immovable fixed assets of Hemgir washery (both present and future). First charge over cash flows of the Hemgir washery.

ii) Foreign currency loans amounting to Rs. 1,522,093,184 (previous year Rs. 2,187,662,684) are secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future along with other lenders. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets.

iii) Rupee term loans amounting to Rs. Nil (previous year Rs. 1,818,566,219) were secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future along with other lenders. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

**Terms of repayment of principal and interest**

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 31 July 2013. Interest is payable semi-annually @ 11.50% p.a. on January 31 and July 31 every year and on redemption.

1. Debentures of Rs. 50 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 31 October 2013. Interest is payable annually @ 12.25% p.a. on October 31 every year and on redemption.

2. Debentures of Rs. 10 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 11 December 2013. Interest is payable annually @ 12.25% p.a. on December 11 every year and on redemption.

3. Debentures of Rs. 35 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 20 January 2014. Interest is payable annually @ 12.25% p.a. on January 20 every year and on redemption.

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 28 March 2014. Interest is payable annually @ 12.25% p.a. on March 28 every year and on redemption.

1. Debentures of Rs. 25 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 5 June 2014. Interest is payable annually @ 12.25% p.a. on June 06 every year and on redemption.

2. Debentures of Rs. 10 crores are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 25 June 2014. Interest is payable annually @ 12.25% p.a. on June 25 every year and on redemption.

Debentures are redeemable at par in ratio of 50:50 at the end of 4th year and 5th year from the date of allotment i.e. 18 March 2015. Interest is payable annually @ 11% p.a. on March 17 every year and on redemption.

Loan has been repaid during the period.

Foreign currency term loans from banks are repayable in 24 quarterly installments starting from December 2010 in accordance with External Commercial Borrowings loan agreement along with interest rate at LIBOR plus 2.40%. The interest cost is hedged at 9.40% p.a.

Loans have been repaid during the period.

**ACB (India) Limited****Notes to financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***Nature of security**

iv) Rupee term loans amounting to Rs. Nil (previous year Rs. 1,884,977,698) was secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

v) Rs. Nil (previous year Rs. 1,312,500,000) was secured by way of exclusive charge on fixed assets of coal washeries located at Binjhari and Chakabura, Chhattisgarh, 15MW Wind Power Project located at Sangli, Maharashtra and 30MW Thermal Power Plant located at Chakabura, Chhattisgarh.

vi) Rs. 610,166,667 (previous year Rs. 1,101,833,334) is secured by way of first and exclusive charge on assets of 30MW Extension Power Project and post dated cheques for repayment of interest and principal.

vii) Rs. 900,000,000 (previous year Rs. 2,000,000,000) consisting of Tranche A of Rs. 110 crores and Tranche B of Rs. 90 crores. Tranche A is secured by way of first pari passu charge on fixed assets of 50MW Power Plant of Spectrum Coal and Power Limited (a subsidiary of the Company) located at Ratija, Chhattisgarh and second charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group. Tranche B of Rs. 90 crores is secured by way of first charge on property measuring 1084.16 square yards located at 3, Tolstoy Lane, Delhi owned by Four Corner Developers Private Limited, a company owned by one promoter group.

viii) Rs. 533,333,333 (previous year Rs. 933,333,333) is secured by way of collateral security of first exclusive charge on movable fixed assets of Dipka washery of the Company, fixed assets of Wani washery of Kartikay Coal Washerries Private Limited, a subsidiary company and fixed assets of Talcher washery of Aryan Energy Private Limited, a subsidiary company.

ix) Rs. 333,333,333 (previous year Rs. 500,000,000) is secured by way of exclusive charge on residential property measuring 375 sq. yards in the name of Shyam Indus Urja Private Limited situated at 27, Rajdoot Marg, Chanakya Puri, New Delhi. Further secured by way of corporate guarantee of Shyam Indus Urja Private Limited.

x) Rs. 1,316,166,445 (previous year Rs. Nil) is secured by first charge on all the immovable and movable properties, current assets, operating cash flows, receivables, commission, revenue of whatsoever nature and whenever arising, present and future intangibles, goodwill, uncalled capital of the 270MW coal washeries reject based power project at korba, chhattisgarh. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders.

xi) Rs. 1,292,500,000 (previous year Rs. Nil) is secured by way of exclusive charge by way of hypothecation on Plant and Machinery and other movable fixed assets, both present and future, of 15MW Wind Mill Power Plant located at Sangli, Maharashtra and Coal washery plants located at Binjhari and Chakabura in Chhattisgarh. Further secured by way of exclusive charge by way of equitable mortgage on Land and Building 15MW Wind Mill Power Plant located at Sangli, Maharashtra and Coal washery plants located at Binjhari and Chakabura in Chhattisgarh.

xii) Rs. 935,000,000 (previous year Rs. Nil) is secured by way of exclusive charge on all the movable and immovable fixed assets, both present and future, of the coal washery plant located at Hemgir, Odisha. Further secured by way of subservient charge on all the current assets of the Company and pari passu charge by way of equitable mortgage of Flat No. 18, I and II floor and Flat No. 3 situated at Vasant Enclave, Delhi.

xiii) Rs. 2,474,700,000 (previous year Rs. Nil) is secured by way of first pari passu charge on all movable and immovable properties, current assets, both present and future of 270MW Power Plant.

xiv) Rs. 445,000,000 (previous year Rs. Nil) is secured by way of first pari passu charge of movable Fixed assets of Dipka Washery.

xv) Rs. 731,021,185 (previous year Rs. Nil) is secured by way of first pari passu charge on all movable and immovable properties, current assets, both present and future of 270MW Power Plant.

xvi) Rs. 974,700,000 (previous year Rs. Nil) is secured by way of first pari passu charge on current asset of 270MW Power Plant.

**(c) Secured term loans from others**

i) Rupee term loan of Rs. Nil (previous year Rs.435,200,000) was secured by way of first charge on all of the 270MW thermal power project assets, both movable and immovable and any other assets related to the project, whether tangible and intangible and whether present and future. Further secured by way of first charge on all rights, title, interest, benefits and claims of the Company in all project documents and on all replacements and additions to any of the 270 MW thermal power project assets along with other lenders. Additional security in the form of first pari passu charge on the existing 30MW thermal power project assets of the Company and second charge on its cash flows.

**Terms of repayment of principal and interest**

Loan has been repaid during the period.

Loan has been repaid during the period.

Repayable in 12 equated quarterly installments starting from February 2014 along with interest rate at LIBOR plus 3%. The interest cost is hedged at 9.90% p.a.

Repayable in 20 equated quarterly installments starting from February 2016 along with interest rate at I-base plus 3.5%.

Repayable in 30 equated monthly installments starting from February 2014 along with interest at Base Rate ('BR') plus 1.00%.

Repayable in 12 equated quarterly installments starting from June 2014 along with interest at Base Rate ('BR') plus 2.50%.

Tranche A is repayable in 41 quarterly structured instalment and Tranche B is repayable in 20 quarterly structured instalment.

Rs. 330,000,000, repayable in 15 equated quarterly installments starting from 25 August 2014 along with interest at Base Rate ('BR') plus 1.50%.

Rs. 962,500,000, repayable in 15 equated quarterly installments starting from 24 May 2014 along with interest at Base Rate ('BR') plus 2.15%.

Repayable in 20 quarterly installments starting from 5 September 2014 along with interest at Base Rate ('BR') plus 0.75%.

Rs. 974,700,000, repayable in 41 structured quarterly installments starting from 31 December 2014 along with interest at Base Rate ('BR') plus 2.15%.

Rs. 1,500,000,000, repayable in 20 equated quarterly installments starting from 7 February 2016 along with interest at Base Rate ('BR') plus 2.15%.

Repayable in 12 equated quarterly installments starting from May 2015 along with interest at Base Rate ('BR') plus 0.75 %.

Repayable in 20 quarterly installments starting from 30 September 2014 along with interest at HDFC Bank's Base Rate ('BR') plus 2.15%.

Repayable in 39 quarterly installments starting from 31 March 2015 along with interest at HDFC Bank's Base Rate ('BR') plus 2.15%.

Loan has been repaid during the period.

(d) The Company did not have any continuing defaults as on the balance sheet date in repayment of loans and interest thereon

**ACB (India) Limited**

Notes to financial statements for the year ended 31 March 2015  
(All amounts are in Rupees, unless otherwise stated)

**6. Deferred tax liabilities (Net)**

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
<b>Deferred tax liabilities arising on account of</b>		
-Fixed assets*	1,158,410,278	1,298,827,363
	<u>1,158,410,278</u>	<u>1,298,827,363</u>
<b>Less: Deferred tax assets arising on account of</b>		
-Provision for gratuity	33,044,722	22,209,777
-Provision for compensated absences	4,438,783	3,552,771
	<u>37,483,505</u>	<u>25,762,548</u>
	<u><u>1,120,926,773</u></u>	<u><u>1,273,064,815</u></u>

\* Refer note 2(f) and note 43 of financial statements

**7. Other liabilities**

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
	<u>Non-current</u>		<u>Current</u>	
Current maturities of long-term borrowings (refer note 5)	-	-	2,679,731,929	2,284,468,606
Interest accrued but not due on borrowings	-	-	134,252,104	99,233,395
Advances from customers	-	-	248,498,135	18,857,188
Revenue billed in advance	-	-	-	4,584,101
Other payables				
-Creditors for capital purchases	-	-	122,491,976	338,716,144
-Statutory dues payable	-	-	115,668,256	181,007,220
-Retention/security deposits	251,377,299	250,000,000	37,286,762	67,262,844
-Dues to employees	-	-	37,613,056	56,919,754
	<u>251,377,299</u>	<u>250,000,000</u>	<u>3,375,542,218</u>	<u>3,051,049,252</u>

**ACB (India) Limited**

**Notes to financial statements for the year ended 31 March 2015**  
(All amounts are in Rupees, unless otherwise stated)

**8. Provisions**

	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>
	<u>Long-term</u>		<u>Short-term</u>	
Provisions for employee benefits				
-Provision for gratuity (refer note 33)	89,212,492	60,799,123	6,270,409	4,542,970
-Provision for compensated absences	-	-	12,825,887	10,452,400
Others				
-Proposed dividend [Rs. 0.50 (previous year Rs. 0.50) per equity share]	-	-	119,002,864	119,002,864
-Provision for corporate dividend tax	-	-	469,082	20,224,537
-Provision for wealth tax	-	-	270,094	-
	<b><u>89,212,492</u></b>	<b><u>60,799,123</u></b>	<b><u>138,838,336</u></b>	<b><u>154,222,771</u></b>

**9. Short-term borrowings**

	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>
<b>Loans repayable on demand (secured):</b>		
-cash credits from banks *	1,322,016,285	1,472,245,383
-other loans from banks *	1,650,000,000	2,500,000,000
	<b><u>2,972,016,285</u></b>	<b><u>3,972,245,383</u></b>

**Footnote:**

**Nature of security**

\* These are secured by way of first pari passu charge on current assets of the Company with working capital lenders in a multiple banking arrangement. Further, collateral security provided by way of first pari passu charge with working capital lenders on land/ building, plant and machinery of Panderpauni Plant and residential properties of the Company situated at Flat No 3 and 18, Vasant Enclave, New Delhi.

**10. Trade payables**

	<u>As at</u> <u>31 March 2015</u>	<u>As at</u> <u>31 March 2014</u>
Trade payables		
- dues to micro and small enterprises *	5,778,822	2,450,917
- dues to other than micro and small enterprise	851,751,616	402,339,836
	<b><u>857,530,438</u></b>	<b><u>404,790,753</u></b>

\* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company are given below:

The principal amount remaining unpaid to any supplier as at the end of the year	5,778,822	2,450,917
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-



## ACB (India) Limited

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees, unless otherwise stated)

## 11. Fixed assets

## As at 31 March 2015

Particulars	Gross block				Accumulated depreciation/ amortisation					Net block	
	As at 1 April 2014	Additions	Disposals	Adjustments	As at 31 March 2015	As at 1 April 2014	Provided during the year#	Deletions	Adjustments	As at 31 March 2015	As at 31 March 2015
<b>Tangible assets</b>											
Freehold land	175,491,975	12,822,032	-	-	188,314,007	-	-	-	-	-	188,314,007
Leasehold land	51,907,695	15,843,138	-	-	67,750,833	3,126,210	968,564	-	-	4,094,774	63,656,059
Buildings	1,671,124,496	5,111,696	-	-	1,676,236,192	316,012,887	62,166,347	-	-	378,179,234	1,298,056,958
Computers and data processing units	24,608,153	5,437,906	38,500	-	30,007,559	18,890,059	2,952,561	37,602	-	21,805,018	8,202,541
Furniture and fittings	70,592,632	5,851,488	-	-	76,444,120	36,202,081	8,162,530	-	-	44,364,611	32,079,509
Heavy earth moving machines	129,223,527	2,625,397	15,366,000	-	116,482,924	112,555,233	4,486,541	14,861,416	-	102,180,358	14,302,566
Motor vehicles	145,903,451	13,159,531	4,512,209	-	154,550,773	89,124,402	17,669,216	3,817,552	-	102,976,066	51,574,707
Office equipments	49,671,735	4,665,391	-	-	54,337,126	21,589,019	13,673,787	-	-	35,262,806	19,074,320
Plant and machinery	17,434,262,637	131,286,901	127,844,686	-	17,437,704,852	3,475,364,009	922,870,054	24,397,076	-	4,373,836,987	13,063,867,865
Railway siding	379,513,210	29,463,623	107,858,165	-	301,118,668	126,604,819	43,876,814	68,583,470	-	101,898,163	199,220,505
Roads*	167,892,146	-	-	-	167,892,146	89,886,824	41,090,215	-	-	130,977,039	36,915,107
<b>Total tangible assets</b>	<b>20,300,191,657</b>	<b>226,267,103</b>	<b>255,619,560</b>	<b>-</b>	<b>20,270,839,200</b>	<b>4,289,355,543</b>	<b>1,117,916,629</b>	<b>111,697,116</b>	<b>-</b>	<b>5,295,575,056</b>	<b>14,975,264,144</b>
<b>Intangible assets</b>											
Softwares	12,322,295	13,621,801	-	-	25,944,096	9,201,364	3,004,713	-	-	12,206,077	13,738,019
<b>Total intangible assets</b>	<b>12,322,295</b>	<b>13,621,801</b>	<b>-</b>	<b>-</b>	<b>25,944,096</b>	<b>9,201,364</b>	<b>3,004,713</b>	<b>-</b>	<b>-</b>	<b>12,206,077</b>	<b>13,738,019</b>
<b>Grand total</b>	<b>20,312,513,952</b>	<b>239,888,904</b>	<b>255,619,560</b>	<b>-</b>	<b>20,296,783,296</b>	<b>4,298,556,907</b>	<b>1,120,921,342</b>	<b>111,697,116</b>	<b>-</b>	<b>5,307,781,133</b>	<b>14,989,002,163</b>

## As at 31 March 2014

Particulars	Gross block				Accumulated depreciation/ amortisation					Net block	
	As at 1 April 2013	Additions	Disposals	Adjustments	As at 31 March 2014	As at 1 April 2013	Provided during the year	Deletions	Adjustments	As at 31 March 2014	As at 31 March 2014
<b>Tangible assets</b>											
Freehold land	173,115,455	2,376,520	-	-	175,491,975	-	-	-	-	-	175,491,975
Leasehold land	50,588,595	1,319,100	-	-	51,907,695	2,609,994	516,216	-	-	3,126,210	48,781,485
Buildings	1,557,807,076	136,200,645	-	22,883,225	1,671,124,496	256,379,538	59,633,349	-	-	316,012,887	1,355,111,609
Computers and data processing units	22,362,553	2,245,600	-	-	24,608,153	16,509,819	2,380,240	-	-	18,890,059	5,718,094
Furniture and fittings	69,064,690	1,527,942	-	-	70,592,632	30,447,752	5,754,329	-	-	36,202,081	34,390,551
Heavy earth moving machines	126,155,554	3,067,973	-	-	129,223,527	106,188,612	6,366,621	-	-	112,555,233	16,668,294
Motor vehicles	141,839,951	6,114,008	2,050,508	-	145,903,451	74,087,704	16,560,898	1,524,200	-	89,124,402	56,779,049
Office equipment	44,224,802	5,446,933	-	-	49,671,735	18,108,731	3,480,288	-	-	21,589,019	28,082,716
Plant and machinery	16,688,474,749	1,222,579,994	-	476,792,106	17,434,262,637	2,703,827,889	771,536,120	-	-	3,475,364,009	13,958,898,628
Railway siding	379,513,210	-	-	-	379,513,210	85,741,122	40,863,697	-	-	126,604,819	252,908,391
Roads*	160,133,806	8,083,009	-	324,669	167,892,146	70,571,931	19,314,893	-	-	89,886,824	78,005,322
<b>Total tangible assets</b>	<b>19,413,280,441</b>	<b>1,388,961,724</b>	<b>2,050,508</b>	<b>500,000,000</b>	<b>20,300,191,657</b>	<b>3,364,473,092</b>	<b>926,406,651</b>	<b>1,524,200</b>	<b>-</b>	<b>4,289,355,543</b>	<b>16,010,836,114</b>
<b>Intangible assets</b>											
Softwares	11,581,352	740,943	-	-	12,322,295	7,407,420	1,793,944	-	-	9,201,364	3,120,931
<b>Total intangible assets</b>	<b>11,581,352</b>	<b>740,943</b>	<b>-</b>	<b>-</b>	<b>12,322,295</b>	<b>7,407,420</b>	<b>1,793,944</b>	<b>-</b>	<b>-</b>	<b>9,201,364</b>	<b>3,120,931</b>
<b>Grand total</b>	<b>19,424,861,793</b>	<b>1,389,702,667</b>	<b>2,050,508</b>	<b>500,000,000</b>	<b>20,312,513,952</b>	<b>3,371,880,512</b>	<b>928,200,595</b>	<b>1,524,200</b>	<b>-</b>	<b>4,298,556,907</b>	<b>16,013,957,045</b>

## Notes:

\* Roads includes roads amounting to Rs. 71,251,406 (previous year Rs. 71,251,406) built on land owned by government authorities and the same is amortised over the period of five years.

# Refer note 2(f)

**ACB (India) Limited**

Notes to financial statements for the year ended 31 March 2015  
(All amounts are in Rupees, unless otherwise stated)

**12. Non-current investments**  
(at cost, unless stated otherwise)

	As at 31 March 2015		As at 31 March 2014	
	No. of Units	Amount	No. of Units	Amount
<b>Trade investments</b>				
<b>-Investment in equity shares (unquoted)</b>				
<i>In subsidiary companies</i>				
Aryan Clean Coal Technologies Private Limited				
Equity shares of Rs. 10 each fully paid up, includes 200 equity shares (previous year 200 equity shares) held through nominees	3,500,000	35,006,000	3,500,000	35,006,000
Aryan Energy Private Limited				
Equity shares of Rs.100 each fully paid up	3,869,048	462,159,037	3,869,048	462,159,037
Kartikay Coal Washeries Private Limited				
Equity shares of Rs.10 each fully paid up	2,919,600	58,327,000	2,919,600	58,327,000
Connoisseur Resources Limited, BVI				
Equity shares of USD 1 each fully paid up	48,135	1,953,805	48,135	1,953,805
Spectrum Coal and Power Limited				
Equity shares of Rs. 10 each fully paid up, includes 6 equity shares (previous year 6 equity shares) held through nominees	41,678,089	1,967,334,195	41,678,089	1,967,334,195
ACB (India) Power Limited				
Equity shares of Rs. 10 each fully paid up, includes 6 equity shares (previous year 6 equity shares) held through nominees	1,114,920,022	11,149,200,220	953,870,022	9,538,700,220
ACB (India) Coal Methane Power Limited				
Equity shares of Rs. 10 each fully paid up	25,500	255,000	25,500	255,000
Mccluskie Coal and Power Limited				
Equity shares of Rs. 10 each fully paid up	25,500	255,000	25,500	255,000
<i>In associates</i>				
Global Coal and Mining Private Limited (refer note 29)				
Equity shares of Rs. 10 each fully paid up	6,257,358	1,269,180,000	6,257,358	124,400,000
Spectrum Power Generation Limited				
Equity shares of Rs. 10 each fully paid up	78,042,732	826,053,250	77,644,765	819,725,575
Equity shares of Rs. 10 each (Rs. 1.71 per share partly called and paid up)	175,000,000	300,000,000	175,000,000	300,000,000
Swastik Power and Mineral Resources Private Limited				
Equity shares of Rs. 10 each fully paid up	29,113,123	451,432,244	4,615,143	71,713,554
<i>In joint venture</i>				
Cellcap Securities Limited, BVI				
Equity shares of USD 1 each fully paid up-with voting rights	660,000	26,018,300	660,000	26,018,300
Equity shares of USD 1 each fully paid up non-voting rights	5,000,000	272,200,000	-	-
<i>Others</i>				
Aryan Ispat and Power Private Limited				
Equity shares of Rs. 100 each fully paid up	280,000	34,105,769	180,000	24,105,769
Less: Provision for diminution in the value of investments		(23,322,769)		(23,322,769)
		10,783,000		783,000
	(A)	<b>16,830,157,051</b>		<b>13,406,630,686</b>
<b>-Investment in preference shares (unquoted)</b>				
<i>In subsidiary companies</i>				
ACB (India) Power Limited				
12% non-cumulative preference shares of Rs. 10 each fully paid up, redeemable at any time after six months from the date of issue	84,800,000	848,000,000	39,600,000	396,000,000
<i>In associates</i>				
Spectrum Power Generation Limited				
Preference shares of Rs. 10 each fully paid up	9,030,000	10,000,000	-	-
	(B)	<b>858,000,000</b>		<b>396,000,000</b>
<b>Non-trade investments</b>				
<b>-Investment in equity shares (quoted)</b>				
<i>Others</i>				
Indian Overseas Bank				
Equity shares of Rs. 10 each fully paid up	13,700	328,800	13,700	328,800
	(C)	<b>328,800</b>		<b>328,800</b>
	(A+B+C)	<b>17,688,485,851</b>		<b>13,802,959,486</b>
<b>Additional disclosures:</b>	<b>Market Value</b>	<b>Aggregate Book Value</b>	<b>Market Value</b>	<b>Aggregate Book Value</b>
Aggregate amount of quoted investment in equity shares	580,195	328,800	696,645	328,800
Aggregate amount of unquoted investment in equity shares*		16,830,157,051		13,406,630,686
Aggregate amount of unquoted investment in preference shares		858,000,000		396,000,000
Aggregate provision for diminution in value of investment		23,322,769		23,322,769

\* Net of the provision for diminution in value of investment

**ACB (India) Limited**

**Notes to financial statements for the year ended 31 March 2015**  
(All amounts are in Rupees, unless otherwise stated)

**13. Loans and advances**

(unsecured, considered good unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Long-term		Short-term	
Loans and advances to related parties (refer note 27)				
-Share application money	-	538,700,000	-	-
-Inter-corporate deposits*	-	-	19,281,310	320,000,000
-Advance to suppliers	-	-	18,128,416	302
Others				
-Advance to suppliers	-	35,205,596	214,263,380	216,487,243
-Capital advances	4,698,250	5,098,132	-	-
-Security deposits	169,732,862	177,528,288	83,952,127	56,056,942
-Prepaid expenses	68,383,387	81,680,857	43,906,626	54,349,385
-Advance to employees	-	-	1,311,815	3,784,744
-Imprest accounts	-	-	3,881,055	2,913,331
-Balances with service tax and sales tax authorities	3,447,957	1,890,854	23,753,968	13,502,635
-Advance income tax	116,732,821	119,507,678	-	-
[net of provision for tax of Rs. 2,663,843,463 (previous year Rs. 1,991,058,176)]				
-Advance fringe benefit tax	383,736	383,736	-	-
-Advance wealth tax	-	117,295	-	-
-Minimum alternate tax credit entitlement	539,055,941	681,834,940	-	-
	<b>902,434,954</b>	<b>1,641,947,376</b>	<b>408,478,697</b>	<b>667,094,582</b>

\* The inter-corporate deposits has been paid to Swastik Power & Mineral Resources Private Limited for business purpose

**14. Other non-current assets**

(unsecured, considered good unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
Foreign exchange forward contract receivable	394,820,219	498,814,062
Deposits with banks maturing after 12 months (refer note 17)	139,749,909	84,931,846
	<b>534,570,128</b>	<b>583,745,908</b>

**15. Inventories**

(valued at the lower of cost or net realisable value)

	As at 31 March 2015	As at 31 March 2014
Raw coal	603,869,670	101,675,256
Work-in-progress	219,313,208	28,125,037
Beneficiated coal	381,406,569	395,172,680
Coal rejects *	300,656,590	343,355,543
Fuel for thermal power plants	3,789,596	5,206,991
Stores and spare parts #	510,740,084	467,464,253
	<b>2,019,775,717</b>	<b>1,340,999,760</b>

\* includes stock lying with third parties Rs. 40,662,559 (previous year Rs. 111,184,897)

# includes goods in transit Rs. 8,599,535 (previous year Rs. 6,545,377)

# includes stock lying with third parties Rs. 5,626,167 (previous year Rs. 5,626,167)

**16. Trade receivables ^**

(unsecured and considered good, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
Receivables outstanding for a period exceeding six months from the date they became due for payment	1,203,430,843	701,670,946
Other receivables	1,867,199,858	1,981,565,083
	<b>3,070,630,701</b>	<b>2,683,236,029</b>

^ Trade receivables include Rs. 900,185,363 (previous year Rs. 817,793,336) due from companies in which director of the Company is director

**ACB (India) Limited**

Notes to financial statements for the year ended 31 March 2015  
(All amounts are in Rupees, unless otherwise stated)

**17. Cash and bank balances**

	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Current		Non-current		Total	
<b>Cash and cash equivalents</b>						
Balance with banks:						
- Current accounts	125,703,753	127,218,873	-	-	125,703,753	127,218,873
Cash on hand	3,397,213	4,896,882	-	-	3,397,213	4,896,882
	<b>129,100,966</b>	<b>132,115,755</b>	<b>-</b>	<b>-</b>	<b>129,100,966</b>	<b>132,115,755</b>
<b>Other bank balances:</b>						
Deposits with bank with original maturity of upto 3 months *	-	7,143,964	-	-	-	7,143,964
Deposits with banks maturing within 12 months *	222,048,166	264,955,052	-	-	222,048,166	264,955,052
Deposits with banks maturing after 12 months *	-	-	139,749,909	84,931,846	139,749,909	84,931,846
	<b>222,048,166</b>	<b>272,099,016</b>	<b>139,749,909</b>	<b>84,931,846</b>	<b>361,798,075</b>	<b>357,030,862</b>
Less: Amount disclosed under non-current assets (refer note 14)			139,749,909	84,931,846	139,749,909	84,931,846
	<b>351,149,132</b>	<b>404,214,771</b>	<b>-</b>	<b>-</b>	<b>351,149,132</b>	<b>404,214,771</b>

**\* Break-up of deposits pledged:**

	As at 31 March 2015	As at 31 March 2014
Provided as security to Government authorities	1,107,378	1,007,085
Held as margin money for bank guarantees and letter of credits	163,738,252	169,737,386
Given as margin money for bank guarantees issued for group companies	104,128,149	107,509,600
Provided as debt service reserve account for loans	92,824,296	78,776,791
	<b>361,798,075</b>	<b>357,030,862</b>

**18. Other current assets**

	As at 31 March 2015	As at 31 March 2014
Income accrued but not due	21,131,580	22,831,585
Unbilled revenue	5,453,187	-
Interest accrued and due on inter corporate deposits	712,193	-
Interest accrued but not due on inter corporate deposits	-	4,163,179
Unamortized premium on forward contract	3,978,504	6,630,856
Claims recoverable from customers	216,578,387	130,249,641
	<b>247,853,851</b>	<b>163,875,261</b>

**ACB (India) Limited**

**Notes to financial statements for the year ended 31 March 2015**  
(All amounts are in Rupees, unless otherwise stated)

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>19. Revenue from operations</b>		
Sale of products		
Sale of coal	4,034,804,421	4,471,473,530
Sale of thermal power	4,660,060,061	4,271,100,662
Sale of wind power	86,862,737	109,691,878
Sale of services		
Coal beneficiations and allied receipts	5,376,725,441	3,622,288,635
Construction projects receipts	44,728,346	-
	<b>14,203,181,006</b>	<b>12,474,554,705</b>
<b>20. Other income</b>		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Interest income from banks and others	41,655,068	74,048,805
Dividend income	122,956,007	122,992,997
[Includes dividend of Rs. 116,698,649 (previous year Rs. 116,698,649) from subsidiary company]		
Foreign exchange gain (net)	46,287	-
Profit on sale of fixed assets (net)	-	154,833
Sundry balances written back	-	3,038,328
Bad debts recovered	26,625	-
Miscellaneous receipts	32,131,875	92,203,129
	<b>196,815,862</b>	<b>292,438,092</b>
<b>21. Changes in inventories of coal and work-in-progress</b>		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Opening stock of:		
Raw coal	101,675,256	730,000,588
Work-in-progress	28,125,037	17,362,390
Beneficiated coal	395,172,680	143,384,232
Coal rejects	343,355,543	161,977,794
	<b>868,328,516</b>	<b>1,052,725,004</b>
Closing stock of:		
Raw coal	603,869,670	101,675,256
Work-in-progress	219,313,208	28,125,037
Beneficiated coal	381,406,569	395,172,680
Coal rejects	300,656,590	343,355,543
	<b>1,505,246,037</b>	<b>868,328,516</b>
(Increase)/ decrease during the year:		
Raw coal	(502,194,414)	628,325,332
Work-in-progress	(191,188,171)	(10,762,647)
Beneficiated coal	13,766,111	(251,788,448)
Coal rejects	42,698,953	(181,377,749)
	<b>(636,917,521)</b>	<b>184,396,488</b>

**ACB (India) Limited****Notes to financial statements for the year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)***22. Employee benefits**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Salaries, wages and bonus	842,138,535	697,714,478
Contribution to provident and other funds	29,969,061	27,424,792
Workmen and staff welfare expenses	29,043,982	24,956,849
	<b><u>901,151,578</u></b>	<b><u>750,096,119</u></b>

**23. Finance costs**

	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Interest on term loans	1,704,935,830	1,356,450,858
Interest on cash credits/ working capital loans	336,284,748	510,471,041
Interest on inter corporate deposits and other loans	345,920	605,785
Loan processing charges	224,397,760	78,879,182
Loan arrangement fees	24,675,000	47,325,000
	<b><u>2,290,639,258</u></b>	<b><u>1,993,731,866</u></b>

**ACB (India) Limited****Notes to financial statements for the year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***24. Other expenses**

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Consumption of stores and spare parts	566,713,505	450,920,208
Environment protection expenses	41,265,932	40,006,221
Ash disposal expenses	118,888,784	116,199,543
Repair, running and maintainance:		
-Building	8,397,369	17,956,002
-Plant and machinery	253,209,475	192,721,810
-Others	156,043,053	126,204,104
Transmission charges	605,080,771	567,497,701
Beneficiation charges	68,489,088	68,696,732
Rent (refer note 34)	70,027,482	26,623,942
Land lease rent	2,766,282	2,814,472
Rates, taxes and fees	184,902,386	78,702,592
Legal and professional fees (refer note 38)	66,318,784	69,534,913
Security expenses	35,182,216	32,645,272
Insurance	20,028,475	18,403,067
Rebate and discount	75,673,672	82,101,934
Printing and stationery	4,982,997	4,811,660
Communication expenses	11,522,804	12,773,963
Office maintenance expenses	27,609,663	23,631,480
Travelling and conveyance	58,144,278	57,104,139
Electricity and water charges	12,926,124	12,496,045
Corporate social responsibility expenses (refer note 44)	21,227,415	-
Deductions on account of quality and quantity	205,291,943	123,277,913
Deductions on account of short supply of power	7,677,920	995,363
Coal handling charges	87,230,162	66,098,325
Sampling charges	3,149,898	2,039,733
Advertisement and publicity	4,108,097	2,541,097
Business promotion	3,566,100	3,737,923
Bank charges	16,916,607	25,695,845
Foreign exchange loss (net)	-	13,127,467
Forward premium amortised	2,652,352	5,948,869
Loss on sale of fixed assets (net)	49,939,182	-
Sundry balances written off	1,169,692	-
Bad debts written off	3,250,746	5,836,925
Capital work-in-progress/assets written off	3,422,012	3,140,550
Miscellaneous expenses	14,903,398	40,517,000
	<b>2,812,678,664</b>	<b>2,294,802,810</b>

**25. Earnings per share**

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31 March 2015</b>	<b>31 March 2014</b>
Net profit as per Statement of Profit and Loss	2,118,382,247	1,477,524,996
Number of equity shares of Rs. 10 each at the beginning of the year	238,005,728	238,005,728
Number of equity shares of Rs. 10 each at the end of the year	238,005,728	238,005,728
Weighted average number of equity shares of Rs. 10 each at the end of the year for calculation of basic and diluted earnings per share	238,005,728	238,005,728
Basic and diluted earnings per share (in Rs.) per share of Rs. 10 each	<b>8.90</b>	<b>6.21</b>

**ACB (India) Limited**  
**Notes to financial statements for the year ended 31 March 2015**

**26. Segment reporting:**

In accordance with Accounting Standard 17 'Segment Reporting' on segment reporting as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, the Company has identified four business segments viz. coal operations, wind power, thermal power and engineering, procurement and construction. The above segments have been identified and reported taking into account the differing risks and returns, and the current internal financial reporting systems. The segment wise disclosures are as follows:

Segment revenue, results and capital employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure/assets/liabilities include expenses/assets/liabilities which are not directly identifiable to any business segment.

**Segment revenue, results and capital employed**

Particulars	Coal operations	Wind power	Thermal power	Engineering, Procurement and Construction	Eliminations	Total
<b>Segment revenue</b>						
External revenue	9,411,529,862	86,862,737	4,660,060,061	44,728,346	-	<b>14,203,181,006</b>
	(8,093,762,165)	(109,691,878)	(4,271,100,662)	(-)	(-)	(12,474,554,705)
Inter segment revenue	245,099,653	-	153,130,096	-	-398,229,749	-
	(85,024,550)	(-)	(93,489,761)	(-)	(-178,514,311)	(-)
<b>Total revenue</b>	<b>9,656,629,515</b>	<b>86,862,737</b>	<b>4,813,190,157</b>	<b>44,728,346</b>	<b>-398,229,749</b>	<b>14,203,181,006</b>
	(8,178,786,715)	(109,691,878)	(4,364,590,423)	(-)	(-178,514,311)	(12,474,554,705)
<b>Segment results</b>	<b>3,923,664,160</b>	<b>29,830,710</b>	<b>1,449,716,325</b>	<b>1,721,265</b>	<b>-</b>	<b>5,404,932,460</b>
	(2,613,730,331)	(54,762,564)	(1,669,298,395)	(-)	(-)	(4,337,791,290)
<b>Less: Unallocated corporate expenses</b>						<b>670,929,572</b>
						(610,071,118)
<b>Operating profit</b>						<b>4,734,002,888</b>
						(3,727,720,172)
<b>Finance cost</b>						<b>2,290,639,258</b>
						(1,993,731,866)
<b>Interest and other income</b>						<b>196,815,862</b>
						(292,438,092)
<b>Net profit before tax</b>						<b>2,640,179,492</b>
						(2,026,426,398)

Figures in brackets are for previous year.

**Segment assets and segment liabilities**

Particulars	Coal operations	Wind power	Thermal power	Engineering, Procurement and Construction	Total
<b>Assets</b>					
Segment assets	6,345,382,532	437,147,908	14,936,924,082	14,715,771	<b>21,734,170,293</b>
	(4,952,920,621)	(472,872,886)	(15,967,675,564)	(-)	(21,393,469,071)
Unallocated corporate assets					<b>19,027,925,327</b>
					(16,243,876,436)
Cash and bank balances					<b>490,899,041</b>
					(489,146,617)
<b>Total assets</b>					<b>41,252,994,661</b>
					(38,126,492,124)

Figures in brackets are for previous year.



**ACB (India) Limited**

**Notes to financial statements for the year ended 31 March 2015**

Particulars	Coal operations	Wind power	Thermal power	Engineering, Procurement and Construction	Total
<b>Liabilities/ Shareholders' funds</b>					
Segment liabilities	968,448,768	9,000	574,062,605	12,902,944	<b>1,555,423,317</b>
	(187,674,346)	(109,800)	(953,616,940)	(-)	(1,141,401,086)
Unallocated corporate liabilities					<b>1,598,272,310</b>
					(1,768,057,022)
Share capital					<b>2,380,057,280</b>
					(2,380,057,280)
Reserves and surplus					<b>18,129,211,322</b>
					(14,965,688,085)
Secured and unsecured borrowings					<b>17,590,030,432</b>
					(17,871,288,651)
Total liabilities/ shareholders' funds					<b>41,252,994,661</b>
					(38,126,492,124)
Segment capital expenditure	191,197,341	-	237,891,730	1,310,354	<b>430,399,425</b>
	(41,367,030)	(-)	(813,326,033)	(-)	(854,693,063)
Unallocated capital expenditure					<b>25,241,158</b>
					(4,849,445)
Total capital expenditure					<b>455,640,583</b>
					(859,542,508)
Depreciation/ amortization expense	257,848,628	39,003,600	791,683,707	49,552	<b>1,088,585,487</b>
	(239,088,054)	(35,088,456)	(629,669,848)	(-)	(903,846,358)
Unallocated Depreciation/ amortization expense					<b>32,335,855</b>
					(24,354,237)
Total Depreciation/ amortization expense					<b>1,120,921,342</b>
					(928,200,595)

Figures in brackets are for previous year.

The Company's customers are located in India and constitute a single reportable segment for the purpose of secondary segment reporting. Accordingly, no secondary segment information has been disclosed as required by Accounting Standard 17 'Segment Reporting' specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

**Segment accounting policies**

The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in Note 2 of the financial statements. The accounting policies in relation to segment accounting are as under:

**(a) Segment assets and liabilities**

All segment assets and liabilities have been allocated to the various segments on the basis of specific identification. Segment assets consist principally of fixed assets, capital work in progress, inventories, trade receivables, other current assets and loans and advances. Segment assets do not include unallocated corporate fixed assets, investments, cash and bank balances, advance tax and other assets not specifically identifiable with any segment.

Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment liabilities do not include borrowings and those related to income taxes.

**(b) Segment revenue and expenses**

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. Segment revenue does not include interest income and other incomes in respect of non-segmental activities. Segment expenses do not include depreciation on unallocated corporate fixed assets, interest expense, tax expense and other expense in respect of non-segmental activities.

**ACB (India) Limited**

**Notes to financial statements for year ended 31 March 2015**

**27. Related party disclosures**

a. Name of the related party and nature of related party relationship:

**(i) Related parties where control exists**

**Subsidiaries :**

- Spectrum Coal and Power Limited
- Kartikay Coal Washeries Private Limited
- Aryan Clean Coal Technologies Private Limited
- Aryan Energy Private Limited
- Connoisseur Resources Limited, BVI
- ACB (India) Power Limited
- Aryan M.P. Power Generation Private Limited
- Aryan Chhattisgarh Power Generation Private Limited
- TRN Energy Private Limited
- SFI Parcel Services Private Limited
- ACB (India) Coal Methane Power Limited
- Mccluskie Coal and Power Limited
- S V Power Private Limited (w.e.f. 20 March 2015)

**(ii) Other related parties with whom transactions has taken place during the year**

**Joint Venture:**

- Cellcap Securities Limited, BVI

**Associates:**

- Maruti Clean Coal and Power Limited
- Swastik Power and Mineral Resources Private Limited
- Spectrum Power Generation Limited

**Key Management Personnel (KMP):**

- Rudra Sen Sindhu, Chairman-cum-Managing Director
- Vir Sen Sindhu, Jt. Managing Director
- Vrit Pal Sindhu, Director

**Relatives of Key Management Personnel (Relatives):**

- Sumati Maheria
- Shahista Gehlot
- Sourabh Sindhu
- Ashok Mrig

**Enterprises owned or significantly influenced by KMP or their relatives (Others):**

- Aryan Ispat and Power Private Limited
- Hari Bhoomi Communications Private Limited
- Indus Automotives Private Limited
- Sainik Mining and Allied Services Limited
- Sindhu Realtors Limited
- Sindhu Trade Links Limited
- Shyam Indus Power Solutions Private Limited
- V.V. Transport
- Bhilwara Texfin Limited
- Shyam Indus Urja Private Limited
- Four Corner Developers Private Limited

**ACB (India) Limited**
**Notes to financial statements for year ended 31 March 2015**
**b. Transactions/outstanding balances with related parties:**

The Company has entered into transactions with certain related parties as listed below. The Board considers such transactions to be in normal course of business

Particulars	Subsidiaries	Joint Venture	Associates	KMP	Relatives	Others	Total
<i>Transactions during the year</i>							
Sale of coal	92,897,015	-	-	-	-	368,694,252	461,591,267
	107,594,791	(-)	(-)	(-)	(-)	450,927,979	(558,522,770)
Sale of thermal power	-	-	-	-	-	-	-
	(4,012,785)	(-)	(-)	(-)	(-)	(-)	(4,012,785)
Interest income	7,124,660	-	791,326	-	-	-	7,915,986
	(42,762,373)	(-)	(419,999)	(-)	(-)	(-)	(43,182,372)
Sale of scrap/stores	236,028	-	-	-	-	-	236,028
	(-)	(-)	(-)	(-)	(-)	(-)	-
Purchase of coal	-	-	-	-	-	-	-
	(45,464,411)	(-)	(-)	(-)	(-)	(-)	(45,464,411)
Transportation for purchase of coal	-	-	-	-	-	255,314,881	255,314,881
	(-)	(-)	(-)	(-)	(-)	(321,944,269)	(321,944,269)
Power and fuel	-	-	-	-	-	303,478	303,478
	(-)	(-)	(-)	(-)	(-)	(51,024)	(51,024)
Transportation and loading charges	50,446,249	-	-	-	-	2,266,747,432	2,317,193,681
	(13,946,787)	(-)	(-)	(-)	(-)	(1,583,900,219)	(1,597,847,006)
Beneficiation charges	68,489,088	-	-	-	-	-	68,489,088
	(68,696,732)	(-)	(-)	(-)	(-)	(-)	(68,696,732)
Salaries, wages and bonus	-	-	-	-	7,338,000	-	7,338,000
	(-)	(-)	(-)	(-)	(6,428,117)	(-)	(6,428,117)
Managerial remuneration paid	-	-	-	238,316,000	-	-	238,316,000
	(-)	(-)	(-)	(208,188,417)	(-)	(-)	(208,188,417)
Environment protection expenses	-	-	-	-	-	38,528,100	38,528,100
	(-)	(-)	(-)	(-)	(-)	(32,905,620)	(32,905,620)
Repair, running and maintenance-building	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(2,967,356)	(2,967,356)
Repair, running and maintenance-plant and machinery	163,242	-	-	-	-	14,844,149	15,007,391
	(-)	(-)	(-)	(-)	(-)	(3,997,653)	(3,997,653)
Repair, running and maintenance-others	300,000	-	-	-	-	125,208,053	125,508,053
	(1,311,240)	(-)	(-)	(-)	(-)	(114,767,288)	(116,078,528)
Rent	-	-	-	4,800,000	-	7,844,700	12,644,700
	(-)	(-)	(-)	(4,800,000)	(-)	(7,031,400)	(11,831,400)
Travelling and conveyance	-	-	-	-	-	6,810,873	6,810,873
	(-)	(-)	(-)	(-)	(-)	(7,595,453)	(7,595,453)
Advertisement and publicity	-	-	-	-	-	832,926	832,926
	(-)	(-)	(-)	(-)	(-)	(246,500)	(246,500)
Purchase of fixed assets/capital work in progress	21,430,783	-	-	-	-	143,174,060	164,604,843
	(23,659,007)	(-)	(-)	(-)	(-)	(220,635,065)	(244,294,071)
Purchase of stores and spares	39,528,958	-	-	-	-	66,650,546	106,179,504
	(38,822,065)	(-)	(-)	(-)	(-)	(26,277,128)	(65,099,193)
Finance Cost	-	-	-	-	-	287,671	287,671
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Ash disposal expenses	-	-	-	-	-	104,085,602	104,085,602
	(-)	(-)	(-)	(-)	(-)	(115,459,308)	(115,459,308)
Staff welfare expenses	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(8,788)	(8,788)
Sale of fixed assets	-	-	-	-	-	58,000	58,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Inter corporate deposit taken	-	-	-	-	-	50,000,000	50,000,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Inter corporate deposit taken refunded	-	-	-	-	-	50,000,000	50,000,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Inter corporate deposit given	98,000,000	-	19,281,310	-	-	-	117,281,310
	(1,775,800,000)	(-)	(85,000,000)	(-)	(-)	(-)	(1,860,800,000)
Inter corporate deposit given received back	418,000,000	-	-	-	-	-	418,000,000
	(1,455,800,000)	(-)	(85,000,000)	(-)	(-)	(-)	(1,540,800,000)

**ACB (India) Limited**
**Notes to financial statements for year ended 31 March 2015**

Particulars	Subsidiaries	Joint Venture	Associates	KMP	Relatives	Others	Total
Share application money paid	412,000,000	-	30,135,880	-	-	-	442,135,880
	(1,418,200,000)	(-)	(226,500,000)	(-)	(-)	(-)	(1,644,700,000)
Share application money paid received back	412,000,000	-	30,135,880	-	-	-	442,135,880
	(1,418,200,000)	(-)	(-)	(-)	(-)	(-)	(1,418,200,000)
Shares purchased/allotment (investments)	2,062,500,000	272,200,000	396,046,365	-	-	10,000,000	2,740,746,365
	(4,085,776,000)	(-)	(-)	(-)	(-)	(-)	(4,085,776,000)

Figure in the brackets are for the previous year

Outstanding balances as at period	Subsidiaries	Joint Venture	Associates	KMP	Relatives	Others	Total
Trade Payables	49,419,144	-	-	-	-	366,451,302	415,870,446
	(50,290,147)	(-)	(-)	(-)	(-)	(70,527,360)	(120,817,508)
Dues to employees	-	-	-	24,058,640	-	-	24,058,640
	(-)	(-)	(-)	(36,269,453)	(175,420)	(-)	(36,444,873)
Creditors for capital purchases	15,043,807	-	-	-	-	46,684,993	61,728,800
	(10,109,704)	(-)	(-)	(-)	(-)	(29,704,182)	(39,813,886)
Inter corporate deposit given	-	-	19,281,310	-	-	-	19,281,310
	(320,000,000)	(-)	(-)	(-)	(-)	(-)	(320,000,000)
Interest accrued and due on inter corporate deposits	-	-	712,193	-	-	-	712,193
	(4,163,179)	(-)	(-)	(-)	(-)	(-)	(4,163,179)
Security/retention received	1,358,203	-	250,000,000	-	-	11,076,621	262,434,824
	(1,321,777)	(-)	(250,000,000)	(-)	(-)	(13,394,581)	(264,716,358)
Share application money paid	-	-	-	-	-	-	-
	(-)	(272,200,000)	(266,500,000)	(-)	(-)	(-)	(538,700,000)
Advance to suppliers	5,386,592	-	12,741,521	-	-	303	18,128,416
	(-)	(-)	(-)	(-)	(-)	(302)	(302)
Advance from customers	163,705,546	-	-	-	-	-	163,705,546
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Trade receivables	6,468,008	-	-	-	-	893,717,355	900,185,363
	(123,901,120)	(-)	(-)	(-)	(-)	(799,772,866)	(923,673,986)

Figure in the brackets are for the previous year

- c. Guarantees/commitments given by the Company (refer note 28)
- d. Guarantees/securities given by other companies for loans taken by the Company (refer note 5)
- e. Investment pledged by the Company (refer note 12) :

Investment in	Type of Investment	Pledged with	Purpose	No. of Shares pledged as at	
				As at 31 March 2015	As at 31 March 2014
Spectrum Coal and Power Limited ('SCPL')	Equity shares of Rs. 10 each fully paid up	ICICI Bank Limited	Security towards term loan availed by SCPL	12,503,426	12,503,426
Spectrum Power Generation Limited (SPGL)	Equity shares of Rs. 10 each fully paid up	Yes Bank Limited	Security towards term loan availed by SPGL	30,000,000	30,000,000
	Equity shares of Rs. 10 each of which Rs. 1.71 per share called and paid up	Yes Bank Limited	Security towards term loan availed by SPGL	52,500,000	52,500,000
	Equity shares of Rs. 10 each of which Rs. 1.71 per share called and paid up	Asset Reconstruction Company (India) Limited	As per the 'Scheme of Arrangement' of SPGL sanctioned by Hon'ble High Court of Andhra Pradesh	4,245,140	45,500,000

**ACB (India) Limited**  
**Notes to financial statements for the year ended 31 March 2015**

f. Disclosure in respect of transactions which are more than 10% of the total transactions:

<b>Transactions during the year</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
<b>Sale of coal</b>		
Aryan Ispat and Power Private Limited	368,694,252	450,927,979
Spectrum Coal and Power Limited	62,224,883	89,162,278
Others	30,672,132	18,432,511
	<b>461,591,267</b>	<b>558,522,768</b>
<b>Sale of thermal power</b>		
Spectrum Coal and Power Limited	-	4,012,785
	-	<b>4,012,785</b>
<b>Interest income</b>		
ACB (India) Power Limited	2,086,575	5,546,303
Aryan Energy Private Limited	343,289	16,467,575
Spectrum Coal and Power Limited	4,694,796	-
TRN Energy Private Limited	-	20,748,495
Others	791,326	419,999
	<b>7,915,986</b>	<b>43,182,372</b>
<b>Sale of scrap/stores</b>		
Aryan Clean Coal Technologies Private Limited	236,028	-
	<b>236,028</b>	-
<b>Purchase of coal</b>		
Kartikay Coal Washeries Private Limited	-	8,397,583
Spectrum Coal and Power Limited	-	37,066,828
	-	<b>45,464,411</b>
<b>Transportation for purchase of coal</b>		
Sindhu Trade Links Limited	255,314,881	321,944,269
	<b>255,314,881</b>	<b>321,944,269</b>
<b>Transportation and loading charges</b>		
Sindhu Trade Links Limited	2,170,680,162	1,505,380,149
Others	146,513,518	92,466,857
	<b>2,317,193,680</b>	<b>1,597,847,006</b>
<b>Staff welfare expenses</b>		
Indus Automotives Private Limited	-	8,788
	-	<b>8,788</b>
<b>Beneficiation charges</b>		
Spectrum Coal and Power Limited	68,489,088	68,696,732
	<b>68,489,088</b>	<b>68,696,732</b>
<b>Salaries, wages and bonus</b>		
Sumati Maheria	4,588,800	4,130,000
Shahista Gehlot	-	810,917
Sourabh Sindhu	2,749,200	1,487,200
	<b>7,338,000</b>	<b>6,428,117</b>
<b>Managerial remuneration paid</b>		
R.S. Sindhu	104,811,040	92,593,300
Vir Sen Sindhu	85,721,760	74,209,554
Vrit Pal Sindhu	47,783,200	41,385,563
	<b>238,316,000</b>	<b>208,188,417</b>
<b>Environment protection expenses</b>		
Sindhu Trade Links Limited	38,528,100	32,905,620
	<b>38,528,100</b>	<b>32,905,620</b>
<b>Repair, running and maintenance-building</b>		
Sindhu Realtors Limited	-	2,459,106
Indus Automotives Private Limited	-	508,250
	-	<b>2,967,356</b>

## ACB (India) Limited

## Notes to financial statements for the year ended 31 March 2015

Transactions during the year	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Repair, running and maintenance-plant and machinery</b>		
Sindhu Trade Links Limited	10,372,080	203,693
Shyam Indus Power Solutions Private Limited	4,427,496	3,440,908
Others	207,815	353,052
	<b>15,007,391</b>	<b>3,997,653</b>
<b>Repair, running and maintenance-others</b>		
Sindhu Trade Links Limited	90,033,564	65,316,935
Indus Automotives Private Limited	32,958,133	43,633,049
Others	2,516,356	7,128,544
	<b>125,508,053</b>	<b>116,078,528</b>
<b>Power and Fuel</b>		
V.V. Transport	303,478	51,024
	<b>303,478</b>	<b>51,024</b>
<b>Rent</b>		
Sindhu Trade Links Limited	7,469,700	7,031,400
Vrit Pal Sindhu	4,800,000	4,800,000
Others	375,000	-
	<b>12,644,700</b>	<b>11,831,400</b>
<b>Ash disposal expenses</b>		
Sindhu Trade Links Limited	56,273,524	41,462,052
Sainik Mining and Allied Services Limited	47,812,078	73,997,256
	<b>104,085,602</b>	<b>115,459,308</b>
<b>Travelling and conveyance</b>		
V.V. Transport	6,136,841	6,728,246
Indus Automotives Private Limited	674,032	867,207
	<b>6,810,873</b>	<b>7,595,453</b>
<b>Advertisement and publicity</b>		
Hari Bhoomi Communications Private Limited	832,926	246,500
	<b>832,926</b>	<b>246,500</b>
<b>Purchase of fixed assets/capital work in progress</b>		
Sainik Mining and Allied Services Limited	18,835,975	34,566,317
Shyam Indus Power Solutions Private Limited	108,042,957	164,857,383
Aryan Clean Coal Technologies Private Limited	21,124,783	23,659,007
Others	16,601,128	21,211,365
	<b>164,604,843</b>	<b>244,294,071</b>
<b>Purchase of stores and spares</b>		
Aryan Clean Coal Technologies Private Limited	37,558,160	38,822,065
V.V. Transport	63,021,920	19,570,466
Indus Automotives Private Limited	3,628,626	6,706,662
Others	1,970,798	-
	<b>106,179,504</b>	<b>65,099,193</b>
<b>Finance Cost</b>		
Bhilwara Texfin Limited	287,671	-
	<b>287,671</b>	<b>-</b>
<b>Inter corporate deposit taken</b>		
Bhilwara Texfin Limited	50,000,000	-
	<b>50,000,000</b>	<b>-</b>
<b>Inter corporate deposit taken refunded</b>		
Bhilwara Texfin Limited	50,000,000	-
	<b>50,000,000</b>	<b>-</b>

**ACB (India) Limited**
**Notes to financial statements for the year ended 31 March 2015**

Transactions during the year	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Inter corporate deposit given</b>		
Spectrum Coal and Power Limited	90,000,000	-
Swastik Power and Mineral Resources Private Limited	19,281,310	-
ACB (India) Power Limited	-	420,000,000
Aryan Energy Private Limited	8,000,000	506,500,000
TRN Energy Private Limited	-	849,300,000
Others	-	85,000,000
	<b>117,281,310</b>	<b>1,860,800,000</b>
<b>Inter corporate deposit given received back</b>		
Spectrum Coal and Power Limited	90,000,000	-
Aryan Energy Private Limited	8,000,000	506,500,000
TRN Energy Private Limited	-	849,300,000
ACB (India) Power Limited	320,000,000	100,000,000
Others	-	85,000,000
	<b>418,000,000</b>	<b>1,540,800,000</b>
<b>Sale of fixed assets</b>		
Aryan Ispat and Power Private Limited	58,000	-
	<b>58,000</b>	<b>-</b>
<b>Share application money paid</b>		
ACB (India) Power Limited	412,000,000	1,047,200,000
Spectrum Coal and Power Limited	-	210,000,000
Swastik Power and Mineral Resources Private Limited	30,135,880	226,500,000
Others	-	161,000,000
	<b>442,135,880</b>	<b>1,644,700,000</b>
<b>Share application money paid received back</b>		
Aryan Energy Private Limited	-	161,000,000
Spectrum Coal and Power Limited	-	210,000,000
ACB (India) Power Limited	412,000,000	1,047,200,000
Others	30,135,880	-
	<b>442,135,880</b>	<b>1,418,200,000</b>
<b>Shares purchased/allotment (investments)</b>		
ACB (India) Power Limited	2,062,500,000	4,085,521,000
Swastik Power and Mineral Resources Private Limited	379,718,690	-
Others	298,527,675	255,000
	<b>2,740,746,365</b>	<b>4,085,776,000</b>

**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***28. Contingent liabilities, commitments, claims against the Company not acknowledged as debt and other legal cases****a. Contingent liabilities:**

- i. The contingent liability relating to Sales Tax is Rs. 15,460,584 (previous year Rs. 17,017,687).
- ii. The search operation u/s 132/133A of the Income Tax Act, 1961 was initiated on 12 April 2012 on the Company. The search proceedings were effectively concluded vide last Panchnama drawn on 11 June 2012. The Company has received questionnaire dated 15 October 2014 from Assistant Commissioner of Income-tax, New Delhi to furnish the information/documents/explanations as and when the same have been sought by the Learned Assessing Officer from time to time. At this stage, no tax demand has been determined pursuant to the search proceedings as the time limit to complete the search assessment is 31 March 2016.

**b. Capital commitments:**

The estimated amount of contracts remaining to be executed on capital account (net of advances) was Rs. 359,660,192 as at 31 March 2015 (previous year Rs. 287,793,730).

**c. Other major commitments:**

- i. The Company had issued a letter of comfort to a bank acting as security agent in respect of External Commercial Borrowings of Rs. 821,012,500 (USD 17,500,000) [previous year Rs. 821,012,500 (USD 17,500,000)], availed by its wholly owned subsidiary Spectrum Coal and Power Limited ('SCPL') from a foreign bank. The Company had provided assurance that it would not permit SCPL to enter into liquidation or enter into any arrangement with creditors without prior discharge of the said loan in full. The Company had also confirmed that it would not dispose-off any shares in SCPL that may result in its shareholding reduced to minority and non-controlling shareholding without first having received written consent from security agent or discharge of loan in full. In the event of any default in payment by SCPL, the Company will issue and execute corporate guarantee of equivalent amount within 15 Days from the date of such event. The loan has been fully repaid in November 2014 and the Company is in the process of obtaining 'No dues certificate' from bank.
- ii. The Company has partly paid shares of Spectrum Power Generation Limited ('SPGL'), which require further commitment of Rs. 1,450,000,000 (previous year Rs. 1,450,000,000) to make them fully paid-up.
- iii. Corporate guarantees:

The Company has given corporate guarantees to certain banks against credit facilities given to group companies. The aggregate value of contingent liabilities in respect of such corporate guarantees given by the Company is as follows:

	As at 31 March 2015	As at 31 March 2014
<b>Subsidiary of Company and subsidiary of wholly owned subsidiary:</b>		
- Aryan Clean Coal Technologies Private Limited	50,000,000	50,000,000
- TRN Energy Private Limited	3,458,800,000	1,598,100,000
- Spectrum Coal and Power Limited	1,400,000,000	-
- S V Power Private Limited	500,000,000	-
<b>Associate companies:</b>		
- Spectrum Power Generation Limited	913,933,174	1,380,892,861
- Maruti Clean Coal and Power Limited	10,647,848,424	9,683,567,020
	<b>16,970,581,598</b>	<b>12,712,559,881</b>



**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***iv. Performance bank guarantees limits allocated in favour of subsidiaries and other companies:**

	As at 31 March 2015	As at 31 March 2014
<b>Subsidiaries of Company and subsidiary of wholly owned subsidiary :</b>		
- Aryan Clean Coal Technologies Private Limited	14,281,380	27,587,878
- Spectrum Coal and Power Limited	303,513,655	166,382,855
- Aryan Energy Private Limited	132,748,623	364,248,623
- Aryan M.P. Power Generation Private Limited	579,000,000	579,000,000
<b>Associate companies:</b>		
- Maruti Clean Coal and Power Limited	165,000,000	165,000,000
<b>Other companies:</b>		
- Aryan Ispat and Power Private Limited	-	25,658,000
	<b>1,194,543,658</b>	<b>1,327,877,356</b>

**d. Claims against the Company not acknowledged as debt:**

In the previous years, one of the customers, pursuant to a contract entered for beneficiation of coal, has invoked bank guarantees of Rs. 200,934,000 (previous year Rs. 200,934,000) and raised further claim amounting to Rs. 75,266,900 (previous year Rs. 75,266,900) for recovery of cost of coal supplied by customer for beneficiation and penalties. The matter for invocation of bank guarantees is pending at Hon'ble Supreme Court of India. Meantime, on an application filed for the appointment of Arbitrator in regard to above disputes, the Hon'ble Bombay High Court, Nagpur Bench appointed Sole Arbitrator. During the year ended 31 March 2015, the Company and the customer has filed its claim and counter claim (including claim towards power generation loss) respectively with the Arbitrator.

While, the decision of the Sole Arbitrator is pending, on the basis of contractual terms and its evaluation of the matters raised in consultation with the Company's Counsel, the management believes that final outcome of the litigation will not have significant financial impact and accordingly, no provision is required.

**e. Other legal cases**

The Company is also involved in certain other lawsuits, claims and proceedings, either initiated by or against the Company, whether asserted or not. However, based on facts currently available, the management believes that these matters both individually and in aggregate will not have a material effect on the financial statements of the Company.

- 29.** During the financial year 2009-10, the Company ('buyer') had purchased 6,257,358 equity shares of Global Coal and Mining Private Limited ('GCMPL') for an aggregate consideration of Rs. 124,243,520 from certain shareholders of GCMPL. Based on the accounting opinion received from a firm of chartered accountants, the Company had recorded the cost of investment at the face value of the equity shares issued and not at the fair value as required by Accounting Standard 13 'Accounting for Investments' as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014. This had been a subject matter of qualification in the audit report on the financial statements.

During the year ended 31 March 2015, the Company (in accordance with above) has restated the investment in Global Coal and Mining Private Limited. As a result of this restatement, the cost of investment has increased by Rs. 1,144,780,000 and securities premium have increased by Rs. 1,144,780,000.

## **ACB (India) Limited**

### **Notes to financial statements for year ended 31 March 2015**

*(All amounts are in Rupees, unless otherwise stated)*

- 30.** The Company has an outstanding litigation in relation to a notice from the Ministry of Home Affairs, Government of India ("MHA") to appear before MHA pursuant to allegations of pilferage of coal. The said allegation was made to MHA against the Company by the Central Empowered Committee ("CEC") set up by the Hon'ble Supreme Court of India. The Company had attended the hearing before MHA on 8 February 2010. Subsequently, on 18 February 2010, the Company made representations in writing in relation to certain additional information sought by the MHA on the disposal of coal rejects generated from the beneficiation process by the Company. The Company has neither received any further correspondence from the MHA in this regard nor the matter was listed for hearing in the Hon'ble Supreme Court since the above referred enquiry was directed by the Court through CEC. The matter is sub-judice before the Hon'ble Supreme Court. A legal opinion has been sought and the management believes that final outcome will not have any significant impact on the Company's financial position and on operations.
- 31.** The Company has overdue trade receivables balance and security deposit receivable, amounting to Rs. 167,137,952 (previous year Rs. 167,137,952) and Rs. 2,500,000 (previous year Rs. 2,500,000) respectively, from Karnataka Power Corporation Limited ('KPCL') relating to sale of beneficiated coal. The matter regarding recovery of amount receivable from KPCL is subjudice and pending for final hearing with the Hon'ble High Court, Karnataka.

Further, during the year ended 31 March 2013, the Company had filed civil suit in the appropriate court for the recovery of its amount. Also, the notice had been issued by the court to KPCL to file their written statement. KPCL in its written statement contested the claim of the Company and denied to any amount payable to the Company. However, based on the merits of the case, management is confident of recovery of the entire outstanding balance.

- 32.** The Company has a liability towards payment of energy duty to Chhattisgarh Government on the operations of its thermal power plants operating in Chhattisgarh. Approximately, 85% of the electricity generated from its 270MW Thermal Power Plant is scheduled to Gujarat Urja Vikas Nigam Limited ('GUVNL'). Since the energy duty was not payable at the time of submission of bid against tenders invited by GUNVL, the Company had recorded 85% of the energy duty liability for its 270MW Thermal Power Plant as recoverable from GUNVL. As per the terms of the Power Purchase Agreement ('PPA') with GUNVL, such claim comes under the provisions of 'Change in Law' which is payable once approved by the Gujarat Electricity Regulatory Commission ('GERC').

Accordingly, the Company has filed a petition with GERC on 21 February 2014. GERC in its various hearings in the case has sought written submissions from the Company as well as GUVNL. The submissions have been filed with GERC by the Company and GUNVL and the final order is reserved.

On the basis of contractual terms, the management believes that above mentioned energy duty is recoverable and final outcome of petition will be in the favour of the Company.

### **33. Employee benefits:**

#### **a. Defined contribution plan:**

Amount of Rs. 29,969,061 (previous year Rs. 27,424,792) pertaining to employers' contribution to provident fund, pension fund, labour welfare fund and administration charges is recognized as an expense and included in "Employee benefits" in Note 22.

**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***b. Defined benefit plan:****Gratuity plan:**

The Company operates a gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Company at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organization, whichever is earlier. However the condition of completion of 5 years of service is not applicable where separation is on account of disability or death of an employee. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

**The Gratuity fund**

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
<b><u>Changes in the present value of defined benefit obligation</u></b>		
Projected benefit obligation as at the beginning of the year	65,342,093	64,558,228
Current service cost	8,162,325	9,634,840
Interest cost	6,660,279	5,841,354
Actuarial (gain)/ loss	16,340,826	(12,809,446)
Past service cost	-	-
Benefits paid	(1,022,622)	(1,882,883)
<b>Projected benefit obligation as at the end of the year</b>	<b>95,482,901</b>	<b>65,342,093</b>
Expected employers contribution next year	6,270,409	4,542,970
<b><u>Expense recognised in the Statement of Profit and Loss</u></b>		
Current service cost	8,162,325	9,634,840
Interest cost on defined benefit obligation	6,660,279	5,841,354
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognised during the year	16,340,826	(12,809,446)
Past service cost	-	-
<b>Net gratuity cost</b>	<b>31,163,430</b>	<b>2,666,748</b>
Actual return on plan assets	-	-
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	95,482,901	65,342,093
Unrecognised past service cost	-	-
Amount not recognised as an asset	-	-
<b>Net liability</b>	<b>95,482,091</b>	<b>65,342,093</b>
<b><u>Amounts in Balance Sheet</u></b>		
Liability	95,482,091	65,342,093
Asset	-	-
<b><u>Net liability is bifurcated as follows:</u></b>		
Long term	89,212,492	60,799,123
Short term	6,270,409	4,542,970
<b>Net liability</b>	<b>95,482,901</b>	<b>65,342,093</b>

**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***Experience adjustments:**

	Year/ period ended				
	31 March 2011	31 March 2012	31 March 2013	31 March 2014	31 March 2015
Defined benefit obligation	42,318,796	49,213,121	64,558,228	65,342,093	95,482,901
Plan assets	-	-	-	-	-
Surplus/(deficit)	(42,318,796)	(49,213,121)	(64,558,228)	(65,342,093)	(95,482,901)
Experience adjustments on plan liabilities	3,138,363	453,601	(337,792)	(765,368)	(374,794)
Experience adjustments on plan assets	-	-	-	-	-

**Principal actuarial assumptions at the Balance Sheet date are as follows:****Economic assumptions:**

The principal assumptions are the discount rate and salary escalation rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. The assumptions used are summarized in the following table:

	As at 31 March 2015	As at 31 March 2014
Discount rate p.a.	7.90%	9.35%
Expected rate of return on assets p.a.	0.00%	0.00%
Salary escalation rate p.a.	10.00%	10.00%

**Demographic assumptions:**

	As at 31 March 2015	As at 31 March 2014
Retirement age	60 & 70 years	60 & 70 years
Mortality Ult table	IALM (2006-08) Ult table	IALM (2006-08) Ult table
Employee turnover	21 - 30 years- 5% 31 - 40 years- 3% 41 - 50 years- 2% 51 and above- 1%	21 - 30 years- 5% 31 - 40 years- 3% 41 - 50 years- 2% 51 and above- 1%

**ACB (India) Limited**  
**Notes to financial statements for year ended 31 March 2015**  
*(All amounts are in Rupees, unless otherwise stated)*

**34. Operating leases:**

The Company has taken railway siding, office space, accommodation for its employees and guest house residential accommodation for employees under cancellable operating lease arrangements. Lease rental expenses charged during the year to the Statement of Profit and Loss amounts to Rs. 70,027,482 (previous year Rs. 26,623,942).

35. The Company had during the year ended 31 March 2014 and 31 March 2010, entered into transactions of purchases and sales of goods and services with private companies and partnership firms, in which director(s) of the Company are director(s) and/or partner. Since the paid up share capital of the Company is more than one crore and has common directorship/ common partners with other companies/partnership firms at the time of entering into such transactions, prior approval of the central government under section 297 of the Companies Act, 1956 is required. In majority of the cases, such approval is in place, however, there are certain cases of lapse due to commission/omission.

The Company has subsequent to the year end, filed an application to Ministry of Corporate Affairs ('MCA'), for compounding of the above matter. However, reply from MCA is awaited. The management believes that the above will not have significant impact on the financial statements.

36. Following are the disclosures in respect of outstanding derivative contracts:

<b>Category of derivative instrument</b>	<b>Purpose of the derivative instrument</b>	<b>Outstanding Principal (in USD) As at 31 March 2015</b>	<b>Outstanding Principal (in USD) As at 31 March 2014</b>
Cross currency principal interest rate swap	To hedge repayment of foreign currency loan and interest thereon and swap of floating interest with fixed rate.	34,066,667 For 4 contracts	54,733,333 For 4 contracts

Further the Company has not entered into any derivative instrument for speculation purpose.

37. During the year ended 31 March 2015, finance cost (net of interest credited) aggregating to Rs. Nil (previous year Rs. 106,067,267) has been capitalised to fixed assets/capital work-in-progress.

**38. Legal and professional fees include auditor's remuneration (excluding service tax):**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Audit fees	4,500,000	4,500,000
Fees for other services	4,321,000	8,700,000
Reimbursement of expenses	470,475	747,018
	<b>9,291,475</b>	<b>13,947,018</b>

**39. Foreign currency earnings and expenditure of the Company:**

**a. Value of imports calculated on CIF basis:**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Stores and spare parts	7,974,903	19,792,171
<b>Total</b>	<b>7,974,903</b>	<b>19,792,171</b>

**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)***b. Expenditure in foreign currency:**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Finance cost (included in capital work-in-progress/ fixed assets)	-	106,847,527
Finance cost	228,069,386	214,069,381
Legal and professional fees	-	5,589,717
Travelling expenses	-	65,958
Miscellaneous expenses (Bank charges and Rate, fees and taxes)	-	109,620
<b>Total</b>	<b>228,069,386</b>	<b>326,682,203</b>

**40. Disclosure pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts":**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>	<b>For the year ended 31 March 2014</b>
Contract revenue recognised for the financial year	44,728,346	-
Contract costs incurred and recognised profits (less recognised losses, if any) upto the reporting date	44,728,346	-
Advance received	-	-
Retention amounts by customer for Contract work in progress as at the end of the financial year	3,648,205	-
Gross amount due from customer for contract work-presented as an assets	4,414,076	-
Gross amount due to customer for contract work - presented as liability	-	-

**41. Detail of imported and indigenous spare parts consumed during the financial year:**

<b>Particulars</b>	<b>For the year ended 31 March 2015</b>		<b>For the year ended 31 March 2014</b>	
	<b>Rs.</b>	<b>% age</b>	<b>Rs.</b>	<b>% age</b>
Imported	10,788,384	1.90	24,772,997	5.49
Indigenous	555,925,121	98.10	426,147,211	94.51
<b>Total</b>	<b>566,713,505</b>		<b>450,920,208</b>	

**42.** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company has maintained adequate documentation of the transactions entered into with the associated enterprises. In respect of domestic transactions entered into with the specified persons during the financial year, the Company is in the process of updating the documentation. The Company expects these records to be in existence in accordance within the due dates as per the requirements of the law. The management is of the opinion that its international and specified domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**ACB (India) Limited****Notes to financial statements for year ended 31 March 2015***(All amounts are in Rupees, unless otherwise stated)*

43. During the year ended 31 March 2015, the Company has changed the trigger plan date for 270MW Thermal Power Plant business eligible for tax holiday period under Section 80-IA of the Income Tax Act, 1961. Accordingly deferred tax assets to the extent of Rs. 151,922,248 (previous year Rs. 108,552,554) have been considered for adjustment with deferred tax charge for the period ended 31 March 2015.

44. As per Section 135 of the Companies Act, 2013 the following is the detail of Corporate social responsibility expenses incurred by the company:-

Gross amount to be spent by the Company during the year ended 31 March 2015 is Rs. 49,394,755.

Amount spent during the year ended 31 March 2015:

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	13,964,004	-	13,964,004
(ii) On purposes other than (i) above	7,263,411	-	7,263,411

45. Previous year's figures have been regrouped/reclassified wherever necessary to confirm the current year classification including an amount aggregating Rs. 130,249,641 which has been regrouped from 'Trade receivables' to 'Claims recoverable from customers' shown under other current assets.

As per our report of even date attached.

*For B S R & Company*

*Chartered Accountants*

ICAI Firm Registration No : 128032W

Sd/-

**Pravin Tulsyan**

*Partner*

Membership No.: 108044

**For and on behalf of the Board of Directors**

Sd/-

**Rudra Sen Sindhu**

*Chairman cum Managing Director*

DIN : 00006999

Sd/-

**Vir Sen Sindhu**

*Jt. Managing Director*

DIN : 00034773

Sd/-

**Satish Sharma**

*Company Secretary*

Sd/-

**Sanjay Hasija**

*Chief Finance Officer*

Place: Gurgaon

Date : 23 May 2015

Place: Gurgaon

Date : 23 May 2015