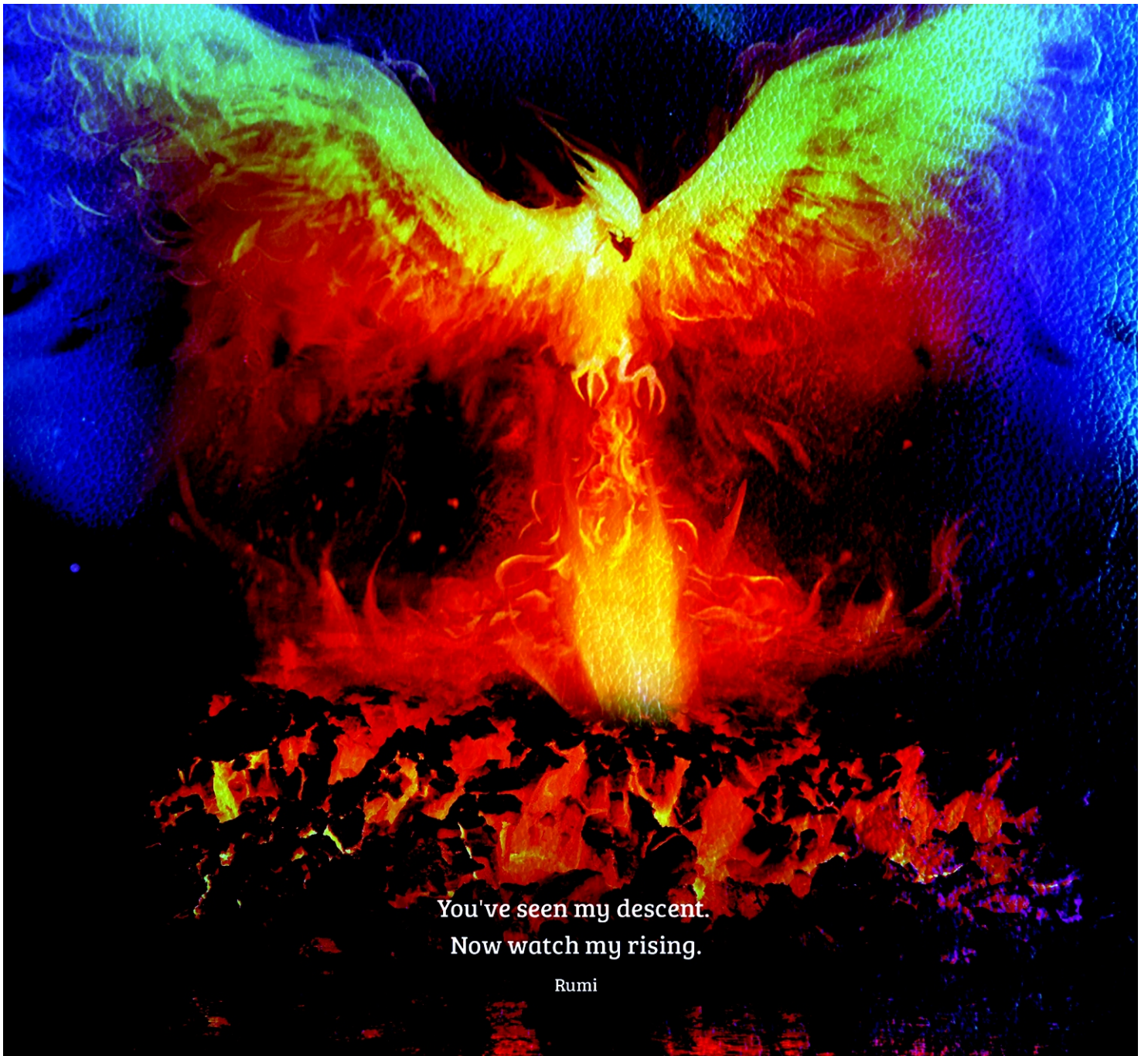




GUJARAT NRE COKE LIMITED

ANNUAL REPORT 2016-17



You've seen my descent.
Now watch my rising.

Rumi

Corporate Information

DIRECTORS

(As on 30th May, 2017)

Mr. Arun Kumar Jagatramka	Chairman & Managing Director
Mrs. Mona Jagatramka	Director
Mr. Amit Kumar Majumdar	Director
Mr. Sisir Kumar Mukherjee	Director
Mr. Murari Sananguly	Director

CHIEF COMMERCIAL OFFICER

Mr. Pawan Kumar Agrawal

CHIEF OPERATING OFFICER

Mr. Sunil Kumar Maskara

CHIEF FINANCIAL OFFICER

Mr. Nitin Daga

COMPANY SECRETARY

Mr. Mukund Chandak

STATUTORY AUDITORS

M/s. Nandy Halder & Ganguli
Chartered Accountants,
18, Netaji Subhash Road,
Top Floor,
Kolkata - 700 001

SOLICITORS & ADVOCATES

M/s. L. P. Tiwari & Co.
Emerald House, 4th Floor,
1B, Old Post Office Street,
Kolkata - 700 001

LENDERS

Asset Care & Reconstruction
Enterprise Limited
Axis Bank Ltd
Bank of Baroda
State Bank of India
Corporation Bank
Export-Import Bank of India
IDBI Bank Ltd

JM Financial Assets Reconstruction
Company Limited
Life Insurance Corporation of India
Standard Chartered Bank
Syndicate Bank
Tamilnad Mercantile Bank Ltd
The Lakshmi Vilas Bank Ltd
United Bank of India
SBI Pension Fund Private Limited

REGISTERED OFFICE

22, Camac Street,
Block - C, 5th Floor,
Kolkata - 700016, India
Phone : +91-33-22891471
Fax : +91-33-22891470
Email : info@gujaratnre.com
Website : www.gujaratnre.com
CIN : L51909WB1986PLC040098

WORKS

COKE

- 1) Village Dharampur, Khambhalia,
Devbhoomi Dwarka, Gujarat, India
- 2) Village Lunva, Bhachau,
Kutch, Gujarat, India
- 3) Road No. 16, 1st Cross, KIADB,
Belur Industrial Area, Dharwad,
Karnataka, India

STEEL

Village Lunva, Bhachau,
Kutch, Gujarat, India

REGISTRAR & SHARE TRANSFER AGENT

M/s. Niche Technologies (P) Ltd.
D-511, Bagri Market, 5th Floor,
71, B. R. B. Basu Road, Kolkata - 700 001
Phone : +91-33-2235-7270 / 7271
Fax : +91-33-2215-6823

The Ministry of Corporate Affairs has taken "Green Initiative in Corporate Governance" allowing paperless compliances by Companies for serving of notice/documents/annual reports by email to members. To support this initiative in full measure, members who have not registered their email address so far, are requested to register their email address, in respect of electronic holdings with their concerned Depository Participants immediately. Members who hold shares in physical segment are also requested to immediately register their email address with Registrar & Share Transfer Agent of the Company.

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GUJARAT NRE COKE LIMITED

Notice

TO
THE SHAREHOLDERS,

Notice is hereby given that the 30th Annual General Meeting of the Shareholders (including Shareholders holding "B" Equity Shares) of **GUJARAT NRE COKE LIMITED** will be held on Wednesday, the 20th day of September, 2017 at 11.00 a.m at Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700 020 to transact the following business:

Ordinary Business:

- To receive, consider and adopt:
 - The audited financial statement of the company for the financial year ended 31st March, 2017, the reports u/s 134 of the Companies Act, 2013 and Auditors thereon; and,
 - The audited consolidated financial statement of the company for the financial year ended 31st March, 2017.
- To appoint a Director in place of Mrs. Mona Jagatramka (DIN 00003316), who retires by rotation and being eligible, offers herself for re-appointment.
- To ratify appointment of Statutory Auditors and to fix their remuneration. In this connection, to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s Nandy Halder & Ganguli, Chartered Accountants (Firm Registration Number 302017E) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company for the financial year ending 31st March, 2018.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

Special Business:

- To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (Act) read with Schedule V to the said Act, including any amendment, modification or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Mr. Arun Kumar Jagatramka as the Chairman & Managing Director of the Company for a period of 5 (five) years with effect from 28th day of March 2017 upon terms and conditions including remuneration as briefly set out in the Explanatory Statement annexed to the notice convening this meeting, which shall be deemed to be a part hereof, with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall also include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions and/or remuneration and other benefits, from time to time, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of profits in any financial year during the aforesaid term of office of Chairman & Managing Director, the remuneration payable to him by way of salary, allowances, commission and perquisites and other benefits shall not without the approval of Central Government (if required) exceed the limits prescribed under Schedule V or other applicable provisions of the Companies Act, 2013 including any amendment, modification or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to sign and execute all such agreements, documents, instruments and writings, as may be required with the power to settle all questions, difficulties or doubts that may arise in regard to the said reappointment as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Director(s) and/or Officer(s) of the Company to give effect to this Resolution."

- To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], the remuneration payable to the cost auditors M/s. B. Mondal & Associates, Cost Accountants (FRN 000061), appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year 2017-18, being Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand only) (inclusive of all expenses) plus taxes, as applicable, be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of the Board) be and is hereby authorized to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

For **GUJARAT NRE COKE LIMITED**

Place: Kolkata
Dated: 30th May, 2017

Mukund Chandak
Company Secretary

NOTES:

- A SHAREHOLDER (INCLUDING SHAREHOLDER HOLDING "B" EQUITY SHARE) ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- The explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 relating to the Special Business at the meeting, is annexed hereto.
- The Register of Members and the Share Transfer Books of the Company for Equity Shares (including "B" Equity Shares) will remain closed from Thursday, the 14th day of September, 2017 to Wednesday, the 20th day of September, 2017 (both days inclusive).
- Shareholders desiring any information on the accounts for the year ended 31st March, 2017 are requested to write to the Company at least ten days in advance, so as to enable the management to keep the information ready at the meeting.
- Electronic copy of the Annual Report for 2016-17 and copy of the notice of the 30th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent electronically to all members whose email ids are registered with the depository participants for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 along with notice is being sent in the permitted mode.
- Shareholders are requested to bring the admission slip(s) along with their copy of Annual Report to the meeting.
- The Company has transferred the unclaimed/ un-encashed dividends for the financial years up to 2008-09 from time to time on due dates, to "The Investor Education & Protection Fund" (IEPF) established by the Central Government. Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), please note that dividend for the financial year 2009-10 which remains unclaimed / un-encashed would be transferred to the IEPF within stipulated period during September/ October 2017. It may please be noted that once the unclaimed / un-encashed dividend is transferred to "The Investor Education & Protection Fund", as aforesaid, no claim shall lie in respect of such amount by the shareholder.

Hence, the shareholders who have not encashed their dividend warrants for the abovementioned dividend and /or dividends declared thereafter are requested to immediately forward the same to the Company for revalidation or seek issue of duplicate warrant(s) by writing to the Company's Registrar & Share Transfer Agent.

- Members are requested to update their email id with respective Depository Participant in case they hold shares in electronic mode or to write to the Share Department of the company/Registrar & Share Transfer Agent in case they hold shares in Physical form.
- Shareholders desirous of having a complete text of Annual Report 2016-17 may write to us at investor@gujaratnre.com or at the Registered Office of the Company.
- VOTING THROUGH ELECTRONIC MEANS
 - In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - The remote e-voting period commences on 17th September, 2017 (9:00 am) and ends on 19th September, 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in

Notice (contd.)

dematerialized form, as on the cut-off date of 13th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:
- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the "Gujarat NRE Coke Limited" on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(viii) Note for Non Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- VI. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
 - VII. If you are already registered with CDSL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th September, 2017.
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 13th September, 2017, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or nichetechpl@nichetechpl.com or investor@gujaratnre.com.
However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evotingindia.com.
 - XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - XIII. Mr. S. K. Ghosh, Practicing Company Secretary (Membership No. ACS 4740 and C P No. 2018) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.gujaratnre.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India and BSE Limited, Mumbai.
11. This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.
 12. The documents mentioned in Notice and Explanatory Statement are open for inspection by the shareholders at the Registered Office of the Company on all working days between 12 noon and 2 pm upto the date of the AGM.

Notice (contd.)

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 4

Mr. Arun Kumar Jagatramka is a Chartered Accountant with an all India 1st rank and a gold medallist. He has an industrial experience of more than a decade in the business of production and trade of metcoke and coking coal, besides a prior experience in management consultancy and merchant banking. Under his able guidance, Gujarat NRE Coke, listed in 1994, has become the largest independent producer of Met Coke in India.

Mr. Arun Kumar Jagatramka was reappointed as Chairman & Managing Director of the Company by shareholders at the 24th Annual General Meeting held on 30th September 2011 for a period of 5 years with effect from 28th March 2012 and accordingly, his current term of office would have expired on 27th March 2017.

The Board of Directors of the company, upon the recommendation of Nomination and Remuneration Committee and considering his aforesaid profile, has decided to re-appoint Mr. Arun Kumar Jagatramka as Chairman & Managing Director of the Company for a further period of 5 (five) years with effect from 28th March 2017 pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act" subject to the approval of the shareholders at this Annual General Meeting.

Brief particulars of the terms of re-appointment of and remuneration payable to Mr. Arun Kumar Jagatramka as Chairman & Managing Director of the company are as under -

"SALARY

Rs.20,00,000/- (Rupees Twenty lacs only) per month.

PERQUISITES & ALLOWANCES

The Chairman & Managing Director shall be entitled to Perquisites and Allowances as classified into three categories, A, B & C as follows.:

CATEGORY A

- a) Housing : The Company will provide furnished residential accommodation together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishings and repairs etc.
- b) Medical reimbursement : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- c) Leave Travel Concession : For self and family once in a year incurred in accordance with rules of the company.
- d) Club fees : Fees of two clubs including life membership fees.
- e) Personal Accident Insurance : For an amount, the premium of which shall not exceed Rs.50,000 per annum.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961, or any rules there-under or any statutory modification(s) or re-enactment thereof, and in the absence of any such Rules, the perquisites and allowances shall be valued at cost.

For the purpose of Category A, family means the spouse, dependent children and dependent parents of the Chairman & Managing Director.

CATEGORY B

The Chairman & Managing Director shall be eligible to the following perquisites which shall not be included for the purpose of computation of his overall ceiling of remuneration.

- a) The company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- c) Encashment of leave at the end of the tenure.

CATEGORY C

Provisions of Car for use on company's business and telephone at residence as well as mobile Phones shall be reimbursed and not considered as perquisites.

MINIMUM REMUNERATION

In case of sufficient profits in any of the financial years during his tenure, the Chairman & Managing Director will receive the remuneration as stated above. However, in case of no profit or inadequate profit, the Chairman & Managing Director will be paid the minimum remuneration as provided in the Schedule V of the Companies Act, 2013.

The Board shall have the liberty to alter or vary the aforesaid terms and conditions of the reappointment and/or payment of remuneration of Mr. Arun Kumar Jagatramka, from time to time during the aforesaid tenure of his re-appointment.

The Chairman & Managing Director shall not be liable to retire by rotation and he shall not be entitled to any sitting fees for attending any meetings of the Board or any Committee during his proposed tenure as Chairman & Managing Director of the Company. The remuneration last drawn by Mr. Arun Kumar Jagatramka was Rs. 76,03,188/- during the financial year 2015-16 and he has attended all the meetings of the Board of Directors held during the year, in his capacity as the Chairman & Managing Director of the Company. The other details of disclosures required as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure to this notice.

The resolution set out in item no. 4 of the notice is recommended for your approval.

None of the Directors and Key Managerial Personnel and their relatives except Mr. Arun Kumar Jagatramka and Mrs. Mona Jagatramka are concerned or interested, financially or otherwise in the Resolutions set out in item no. 4.

Item no. 5

The Insolvency Resolution Professional had approved the reappointment of M/s B Mondal & Associates, Cost Accountants as Cost Auditors of the Company to conduct cost records of the company for the financial year 2017-18 at a remuneration of Rs. 1,25,000/- (inclusive of all expenses) plus taxes, as applicable.

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, the consent of the members is sought by an ordinary resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

The resolution set out in item no. 5 of the notice is recommended for your approval.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are deemed to be concerned or interested, financially or otherwise in this resolution.

For **GUJARAT NRE COKE LIMITED**

Place: Kolkata
Dated: 30th May, 2017

Mukund Chandak
Company Secretary

(Annexure to the Notice)

INFORMATION REQUIRED TO BE FURNISHED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Name of the Director	Mr. Arun Kumar Jagatramka	Mrs. Mona Jagatramka
DIN	00003835	00003316
Date of Birth	12-12-1961	11-03-1964
Date of Appointment	20-05-1993	18-10-2006
Qualifications	B. Com (Hons), C.A.	B. Sc (Home Science)
Expertise in specific functional areas	Manufacturing, Trading, Mining, Finance, Accounts & Taxation	Business Management and Human Resource Development
Directorship held in other Listed entities	Nil	Nil
Chairmanship/Membership of Committees of other Listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil	Nil
Shareholdings as on 31st March 2017	1,80,85,197 Equity Shares and 8,31,151 'B' Equity Shares	1,09,35,872 Equity Shares and 5,85,500 'B' Equity Shares
Relationship with any Director(s) of the Company	Husband of Mrs. Mona Jagatramka, Non-executive Director of the Company	Wife of Mr. Arun Kumar Jagatramka, Chairman and Managing Director of the Company

Report u/s 134 of the Companies Act, 2013

To
The Members,

The 30th Annual Report and the Audited Financial Results of your Company for the financial year ended March 31, 2017 alongwith the report on the business and its operations is being presented hereunder:

FINANCIAL RESULTS/HIGHLIGHTS	(Rs. In crores)	
	2016-17	2015-16
Total Income (including other income)	546.39	836.16
Total Expenditure	768.50	1653.38
Profit/(Loss) before Interest, Depreciation and Tax	(222.11)	(817.22)
Less: (1) Finance Cost	393.89	293.54
(2) Depreciation	59.81	64.90
Profit/(Loss) before Tax and Exceptional Items	(675.81)	(1175.66)
Exceptional Items	-	-
Less: Provision for Taxation	-	(378.74)
Extraordinary Items	-	22.42
Profit/(Loss) after Tax	(675.81)	(819.34)

REVIEW OF OPERATIONS

During the year under review, the Total Income from Operations (including other income) was Rs. 546.39 crores as compared to Rs. 836.16 crores in the previous year. The Company posted a net loss after tax of Rs. 675.81 crores, as compared to the net loss of Rs. 819.34 crores during the previous year.

DIVIDEND

No dividend was recommended during the year under review.

ISSUE OF EQUITY SHARES

The Company had allotted equity shares of Rs. 10/- each during the year under review as per the following details:-

Date of Allotment	No. of shares	Particulars
2 nd April, 2016	2,50,00,000	Issued to Promoter Group Entities at a premium of Rs. 2/- per share upon conversion of warrants
23 rd May, 2016	30,40,42,725	Issued to the shareholders of NRE Metcoke Limited and Bajrang Bali Coke Industries Limited (Transferor Companies) pursuant to amalgamation of the Transferor Companies with the Company
30 th June, 2016	2,44,66,745	Issued to Lender at a premium of Rs. 1.03 per share upon conversion of debts

NON-CONVERTIBLE DEBENTURES

The NCDs outstanding at the end of the year under review amounted to Rs. 412.51 crores.

LISTING

Both the Equity Shares and "B" Equity Shares of your Company are listed at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Non-convertible Debentures of the company (including Debentures issued under QIP) are listed at BSE Limited. The Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Limited (SGX)

BUSINESS PLAN - INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS

During the year under review, the Company had filed an application for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 10 of the Insolvency and Bankruptcy Code, 2016 with the National Company Law Tribunal (NCLT), Kolkata Bench. The Hon'ble NCLT, Kolkata admitted the said application vide its order dated 7th April, 2017 and ordered for initiation of CIRP in respect of the Company w.e.f 7th April, 2017. Further, pursuant to the said Order, Mr. Sumit Binani, having Registration Number IBB/PA-001/IP-N00005/2016-17/10025 was appointed as the Interim Resolution Professional (IRP) from the date of the said order. Subsequently, the Committee of Creditors (CoC) of the Company in its first meeting held on 5th May, 2017, decided to continue the appointment of Mr. Sumit Binani as Resolution Professional with respect to the CIRP of the Company.

As such, pursuant to the aforesaid order of the NCLT and in terms of the provisions of Section 17 of the Insolvency and Bankruptcy code, 2016, the powers of the Board of Directors of the Company stands suspended and is being exercised by the Insolvency

Resolution Professional. Hence, post 7th April, 2017, no meeting of the Board or its Committees could be convened.

This initiation of CIRP is an effort on part of the Company to chalk out a durable and successful revival plan in consultation with its creditors. The Resolution Professional shall also reach out to other resolution applicants for putting forward their resolution plans. The future business plans of the Company will be dependent on the outcome of the CIRP.

SUBSIDIARIES

The Company has two Indian wholly-owned subsidiaries:

- a. Manor Dealcom Pvt Ltd, and
- b. Huntervalley Coal Pvt Ltd

A report on the performance and financial position of each of the subsidiaries, as per the Companies Act, 2013 is provided a part of the financial statement and hence not repeated here for the sake of brevity.

CORPORATE GOVERNANCE

In compliance with the requirements of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Report on 'Corporate Governance' as on 31st March, 2017 and a Report on Management Discussions and Analysis, duly signed by the Chairman & Managing Director of the Company, are annexed hereto and forms part of this Report.

Chairman & Managing Director has certified to the Board with regard to the financial statements and other matters as required under Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said certificate is also annexed hereto and forms a part of this Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Re-appointment of Chairman & Managing Director:

The term of appointment of Mr. Arun Kumar Jagatramka as the Chairman & Managing Director of the Company ended on 27th March, 2017. The Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings, approved the re-appointment of Mr. Arun Kumar Jagatramka as the Chairman & Managing Director of the Company for a period of 5 years with effect from 28th March 2017, subject to approval of the shareholders of the Company and such other approvals as may be required.

Confirmation of Appointment:

Mrs. Mona Jagatramka retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment in terms of the Articles of Association of the Company.

Changes in Directors and Key Managerial Personnel:

There has been no change in the Board of Directors of the Company during the year under review. On the recommendation of the Nomination and Remuneration Committee, Mr. Nitin Daga was appointed by the Board of Directors as the Chief Financial Officer (CFO) of the Company w.e.f 14th September, 2016.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formal Annual Evaluation:

The Board evaluates the performance of the Board, its Committees and all individual Directors including Independent Directors every year. The evaluation process for the year under review could not be carried out in the current financial year as no board meeting has been held due to the ongoing CIRP of the Company.

Familiarization Programme:

The Company has a familiarization program of its Directors in place. The details regarding familiarization programmes have been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#9>.

Number of Board Meetings held:

The Board of Directors of the Company duly met 6 times during the financial year 2016-17. The dates of such meetings were 29th May 2016, 14th September 2016, 19th September 2016, 10th December 2016, 11th February 2017 and 21st March 2017.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Directors have confirmed to the Resolution Professional the following in respect of the year under review: -

- a) in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

Report u/s 134 of the Companies Act, 2013 (contd.)

- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

AUDITORS

The members had appointed M/s Nandy Halder & Ganguli, Chartered Accountants, as the Statutory Auditors of the Company at the 29th Annual General Meeting for a period of 5 years to hold office till the conclusion of 34th Annual General Meeting of the Company, subject to ratification by the shareholders every year. The ratification of their appointment for the financial year 2017-18 forms part of the notice convening the 30th Annual General Meeting of the Company. A written consent from M/s Nandy Halder & Ganguli, has been received along with a certificate that their appointment, if ratified, shall be in accordance with the conditions prescribed under Section 141 of the Companies Act, 2013 and Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDITORS' REPORT

The Statutory Auditors in their report to the Members, have given qualified opinion as below:

The company has incurred a net loss during the year ended March 31, 2017 and the current liabilities of the company as on 31.03.2017 are more than its current assets.

The company has filed petition before the National Company Law Tribunal (NCLT), Kolkata Bench u/s 10(1) of the Insolvency and Bankruptcy Code, 2016 to initiate corporate insolvency resolution process on the basis of resolution passed by the Board of Directors on 21.03.2017 to this effect.

The application for initiation of corporate insolvency resolution process has been admitted along with the proposal appointing an Interim Resolution Professional (IRP) by the NCLT, Kolkata vide order dated 07.04.2017. Further Mr. Sumit Binani was confirmed as the Resolution professional by the Committee of Creditors (CoC) at their meeting held on 5th MAY, 2017.

This condition indicates the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern in the absence of any financial support from the Promoters and Bankers. However, the financial statements of the company have been prepared on a going concern basis.

The response of the Directors of the Company obtained by the Resolution Professional with respect to the aforesaid qualification is as follows:

The Company is in the process of preparing a Resolution Plan to restructure the debts due to its creditors which upon approval of the Committee of Creditors and further by National Company Law Tribunal is expected to revive the Company out of the financial difficulties.

COST AUDIT

M/s B. Mondal & Associates, Cost Accountants (FRN 000061), have been re-appointed to audit the cost records of the Company for financial year 2017-18. A resolution regarding ratification of the remuneration payable to M/s B. Mondal & Associates forms part of the Notice convening the 30th Annual General Meeting of the Company.

SECRETARIAL AUDIT

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Mr. Samir Kumar Ghosh, Company Secretary in Practice, is enclosed as a part of this report as Annexure-A. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

PUBLIC DEPOSITS

The Company has not accepted or renewed any Public Deposits, as defined under provisions of Chapter V of the Companies Act, 2013.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure-B to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The disclosures required to be made as per Section 134 (3) and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as part of this report as Annexure-C. Additionally, the CSR Policy has been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#2>.

AUDIT COMMITTEE

The composition of the Audit Committee of the Company is as below:

Sl. No	Name of Director	Category of Director	Designation in Committee
1.	Mr. Sisir Kumar Mukherjee	Independent Director	Chairman
2.	Mr. Amit Kumar Majumdar	Independent Director	Member
3.	Mr. Murari Sanaguly	Independent Director	Member

The Company Secretary acts as the Secretary to the Committee.

There is no such recommendation of the Audit Committee which has not been accepted by the Board, during the period under review.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Committee also carries out evaluation of every Director's performance. The Committee has formulated the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

RELATED PARTY TRANSACTIONS

As informed by the Directors to the Resolution Professional, Related party transactions that were entered during the financial year under review were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure-D.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-E.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

EMPLOYEE STOCK OPTION SCHEME

The Company had granted 95,89,000 options to its Employees/Directors through four different tranches under GNCL Employee Stock Options Scheme 2007 (ESOP 2007) till the end of the year under review against the approval received from shareholders to grant upto 1,21,95,302 options under the said Scheme.

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company in accordance with the applicable SEBI Guidelines. The disclosures as stipulated under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2017 (cumulative position) with regard to the Employees' Stock Option Scheme (ESOS) are given in an Annexure to this Report as Annexure -F.

The Company has received a certificate from the Auditors that the aforesaid Scheme has been implemented in accordance with SEBI Guidelines and the resolution passed by the shareholders. The Certificate would be placed at the meeting for inspection by the shareholders.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES

The prescribed particulars of Employees required under Section 134(3)(q) and Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure G and forms part of this report.

RISK MANAGEMENT POLICY

Board of Directors have formulated and implemented a risk management policy for the company. As informed to the Resolution Professional, during the year under review, the

Report u/s 134 of the Companies Act, 2013 (contd.)

Board has been addressing various risks impacting the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. Further, the Board and the Audit Committee of the Company periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Internal Complaints Committee which has been set up to redress complaints regarding sexual harassment. The following is the summary of sexual harassment complaints received and disposed off during the year:

- i) No. of complaints received : nil
- ii) No. of complaints disposed off: nil

PERSONNEL / INDUSTRIAL RELATIONS

The Company maintained cordial and harmonious relations at all levels at the offices and plants of the Company and its subsidiaries throughout the year under review.

This Report has been approved by Mr. Sumit Binani, Resolution Professional, on 30th May, 2017.

For Gujarat NRE Coke Limited

Place : Kolkata
Dated the 30th May, 2017

Arun Kumar Jagatramka
Chairman & Managing Director
DIN: 00003835

Annexure - A

Form MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To,
The Members
GUJARAT NRE COKE LTD.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S GUJARAT NRE COKE LTD.** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S GUJARAT NRE COKE LTD.** ("The Company") for the period ended on 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder and the Companies Act, 1956 (as applicable);
- ii) The Securities Contracts (Regulations) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009;
 - e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008;
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

vi) All other statutes and laws as may be specifically applicable to the Company.

I have also examined compliances with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with reference to the Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, etc. mentioned above.

I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to Composition of Board of Directors & Committees thereof, Issuance of notices for meetings of the board, committee & shareholders, recording of minutes of the meetings, filing of returns, etc. and compliance of various other provisions of the Companies Act & SEBI Regulations as are applicable to the Company.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

I further report that:

- The Company has obtained all necessary approvals under the various provisions of the Act; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (LODR) Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has passed special resolutions which are having major bearing on the Company's affairs in pursuance of the above

Annexure - A (Contd.)

referred laws, rules, regulations, guidelines, standards, etc.:

- (i) Increasing the Authorised Share Capital of the Company.
- (ii) Issuance of equity shares on preferential basis to Lender of the Company pursuant to conversion of debts.
- (iii) Approval of material related party transactions
- (iv) Approval of Scheme of Amalgamation, as required under the applicable SEBI Circulars
- (v) Approval for sale of wind mill business of the Company

- (vi) Issuance of equity shares on preferential basis to ICICI Bank Ltd pursuant to conversion of liability towards corporate guarantee

This report is to be read with my letter of even date, which is annexed as Annexure I which forms an integral part of this report.

Place: Kolkata
Date: 30th May, 2017

CS Samir Kumar Ghosh
ACS 4740
C. P. No. 2018

Annexure - I to Secretarial Audit Report

To,
The Members,
GUJARAT NRE COKE LTD.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 30th May, 2017

CS Samir Kumar Ghosh
ACS No.:4740
C P No.:2018

Annexure - B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC :

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy : (i) the steps taken or impact on conservation of energy	The Company continued to give major emphasis for conservation of energy, and the measures taken in the previous year were continued. The efficiency of Energy Utilization at each plant is monitored at the Corporate level every quarter, in order to achieve effective conservation of energy. The significant Energy conservation measures during the year were as follows <ul style="list-style-type: none"> ● Switching off machines / equipment immediately after use and fixing of timers to avoid over usage of water pumps. ● Use of power capacitors to improve the Power factor. ● Creating awareness among employees about the necessity of energy conservation by celebrating energy conservation week.
(ii) the steps taken by the company for utilizing alternate sources of energy	The Company continued to generate power through wind mills having a capacity of 87.5 MW during the year under review. The Company is also undertaking setting-up of its co-generation power plant having aggregate capacity of 30 MW at its plant in the State of Karnataka. Such captive generation of power through co-generation power plant will reduce use of power acquired from external agencies. Apart from this, the Company has also installed energy efficient equipment wherever required. The generation of power through alternate means such as wind mills provides power to the company at a rate lower than the market rates for purchasing power from power generating companies and thereby reducing the cost of production.
(iii) the capital investment on energy conservation equipments;	Nil
(B) Technology absorption : (i) the efforts made towards technology absorption	Efforts are being made towards improvements in the existing production process through indigenous methods.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	The benefits derived are: a. Improved quality and productivity b. Conservation of fuel & reduced emissions
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv) the expenditure incurred on Research and Development.	Nil
(C) Foreign exchange earnings and outgo :	Total Foreign Exchange earnings: Nil Total Foreign Exchange outgo: Rs. 88.65 crores

Annexure - C

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs -

The Company has formulated a CSR policy to take up Projects or programs relating to CSR activities as decided by the Corporate Social Responsibility Committee from time to time every year, as per the availability of CSR expenditure activities specified in Section 135 read with Schedule VI to the Companies Act 2013.

This CSR Policy has been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#2>.

2. The Composition of the CSR Committee

Sl. No	Name of Director	Category of Director	Designation in Committee
1.	Mr. Sisir Kumar Mukherjee	Independent Director	Chairman
2.	Mr. Arun Kumar Jagatramka	Executive Director	Member
3.	Mr. Murari Sananguly	Independent Director	Member

3. Average net profit of the company for the last three financial years - net loss of Rs. 562.70 crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) - N.A

5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year; - N.A
 (b) Amount unspent, if any; - N.A
 (c) Manner in which the amount spent during the financial year is detailed below: - N.A

Annexure - D

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

1. **Details of contracts or arrangements or transactions not at Arm's length basis :**

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. **Details of material contracts or arrangements or transactions at Arm's length basis:**

Sl. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts / arrangements/transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Nil
e)	Date(s) of approval by the Board, if any:	Nil
f)	Amount paid as advances, if any	Nil

Note: The material contracts or arrangements or transactions at Arm's length basis has been ascertained as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

GUJARAT NRE COKE LIMITED

Annexure - E

FORM MGT - 9

EXTRACT OF ANNUAL RETURN

Financial Year ended on 31st March, 2017
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

I REGISTRATION & OTHER DETAILS:

i	CIN	L51909WB1986PLC040098
ii	Registration Date	January 29, 1986
iii	Name of the Company	GUJARAT NRE COKE LIMITED
iv	Category/Sub-category of the Company	Public Company Limited by Shares
v	Address of the Registered office & contact details	22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016 Phone No. +91-33-22891471
vi	Whether listed company	Listed
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Pvt Ltd D-511, Bagri Market, 5th Floor 71, B.R.B. Basu Road, Kolkata - 700 001 Phone No: +91-33-22357270/7271

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Coal & Coke	27040030	68.00
2	Steel/TMT Bars	72131090	32.00

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Huntervalley Coal Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U10200WB2007PTC114138	Subsidiary	100.00	2(87)
2	Manor Dealcom Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U51909WB2007PTC113139	Subsidiary	100.00	2(87)
3	Bulli Coke Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U23109WB2005PLC101970	Associate	47.38	2(6)
4	Critical Mass Multilink Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U73100WB2003PLC096794	Associate	46.40	2(6)
5	Gujarat NRE Energy Resources Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U40105WB2006PLC107418	Associate	48.32	2(6)
6	Gaurav Vinimay Pvt Ltd 22, Camac Street, Block - A, 4th Floor, Kolkata - 700 016	U51109WB2005PTC105176	Associate	47.36	2(6)
7	Newage Vinimay Pvt Ltd 22, Camac Street, Block - A, 4th Floor, Kolkata - 700 016	U51109WB2005PTC105174	Associate	47.58	2(6)
8	Madhur Coal Mining Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U23109WB2005PTC106427	Associate	46.45	2(6)
9	Mangal Crystal Coke Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U23109WB2005PTC106428	Associate	45.63	2(6)
10	Wonga Traders Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U51909WB2009PTC138654	Associate	45.62	2(6)
11	Mahanidhi Vyapaar Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U52390WB2010PTC141574	Associate	47.11	2(6)
12	Russell Vale Traders Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U51909WB2010PTC142138	Associate	45.94	2(6)
13	Khambhalia Traders Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U51909WB2010PTC153053	Associate	47.16	2(6)
14	Bhachau Traders Pvt Ltd 22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016	U51909WB2010PTC153054	Associate	46.32	2(6)
15	Gujarat NRE Pty Ltd 96, Cahors Road, Padstow, NSW 2211, Australia	N.A	Associate	33.44	2(6)

Annexure - E (contd.)

IV-1 SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	8966519	0	8966519	0.717	29021069	0	29021069	1.809	1.092
b) Central Government									
c) State Governments									
d) Bodies Corporate	287326311	0	287326311	22.967	333717811	0	333717811	20.798	-2.169
e) Banks / Financial Institutions									
f) Any Other									
Trusts	13172259	0	13172259	1.053	44175184	0	44175184	2.753	1.700
Sub-total (A)(1)	309465089	0	309465089	24.737	406914064	0	406914064	25.360	0.623
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	309465089	0	309465089	24.737	406914064	0	406914064	25.360	0.623
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks / Financial Institutions	498223051	33185000	531408051	42.477	553352559	0	553352559	34.486	-7.991
c) Central Government									
d) State Governments									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors (FII)	39968763	0	39968763	3.195	20628793	0	20628793	1.286	-1.909
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Qualified Foreign Investors									
FPI - Corporate Cat-II	16000	0	16000	0.001	19342365	0	19342365	1.205	1.204
FPI - Corporate Cat-III	975095	0	975095	0.078	606836	0	606836	0.038	-0.040
Sub-total (B)(1)	539182909	33185000	572367909	45.751	593930553	0	593930553	37.015	-8.736
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	33371723	91798	33463521	2.675	184705482	91778	184797260	11.517	8.842
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	156209209	2055747	158264956	12.651	160688027	2015649	162703676	10.140	-2.511
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	146575244	891338	147466582	11.788	217119380	891338	218010718	13.587	1.799
c) Others Specify									
1. NRI	13627631	121022	13748653	1.099	17027482	121022	17148504	1.069	-0.030
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	16260465	0	16260465	1.300	21041582	0	21041582	1.311	0.011
5. Trusts	2000	0	2000	0.000	2288	0	2288	0.000	0.000
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	366046272	3159905	369206177	29.512	600584241	3119787	603704028	37.625	8.113
Total Public Shareholding (B) = (B)(1)+(B)(2)	905229181	36344905	941574086	75.263	1194514794	3119787	1197634581	74.640	-0.623
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A+B+C)	1214694270	36344905	1251039175	100.000	1601428858	3119787	1604548645	100.000	0.000

GUJARAT NRE COKE LIMITED

Annexure - E (contd.)

B) Shareholding of Promoters

Sl No.	Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	ARUN KUMAR JAGATRAMKA	3111512	0.249	100.000	18085197	1.127	11.675	0.878
2	ARUN KUMAR JAGATRAMKA, Trustee Arunkumar Family Trust	0	0.000	0.000	12108000	0.755	0.000	0.755
3	ARUN KUMAR JAGATRAMKA, Trustee Girdharilal Arunkumar Family Trust	10474466	0.837	100.000	29369391	1.830	23.747	0.993
4	ARUN KUMAR JAGATRAMKA, Trustee GLJ Family Trust	2697793	0.216	100.000	2697793	0.168	100.000	-0.048
5	BHACHAU TRADERS PRIVATE LIMITED	30000000	2.398	66.667	35955000	2.241	55.625	-0.157
6	BHARAT NRE COKE LIMITED, (Pursuant to merger of Gujarat NRE Mineral Resources Limited)	77326311	6.181	100.000	44908401	2.799	98.230	-3.382
7	CRITICAL MASS MULTILINK LIMITED	0	0.000	0.000	5276300	0.329	0.000	0.329
8	DHARWAD TRADERS PRIVATE LIMITED	0	0.000	0.000	15000000	0.935	0.000	0.935
9	GAURAV VINIMAY PRIVATE LIMITED	0	0.000	0.000	10305680	0.642	0.000	0.642
10	KHAMBHALIA TRADERS PRIVATE LIMITED	35000000	2.798	57.143	40955000	2.552	48.834	-0.245
11	LUNVA TRADERS PRIVATE LIMITED	0	0.000	0.000	10000000	0.623	0.000	0.623
12	MAHANIDHI VYAPAAR PRIVATE LIMITED	30000000	2.398	66.667	35955000	2.241	55.625	-0.157
13	MANGAL CRYSTAL COKE PRIVATE LIMITED	50000000	3.997	100.000	50955000	3.176	88.313	-0.821
14	MONA JAGATRAMKA	5855007	0.468	100.000	10935872	0.682	0.046	0.214
15	NEWAGE VINIMAY PRIVATE LIMITED	0	0.000	0.000	7497430	0.467	0.000	0.467
16	RUSSELL VALE TRADERS PRIVATE LIMITED	35000000	2.798	57.143	40955000	2.552	48.834	-0.245
17	WONGA TRADERS PRIVATE LIMITED	30000000	2.398	66.667	35955000	2.241	55.625	-0.157
	TOTAL	309465089	24.737	80.608	406914064	25.360	49.372	0.623

C) Change in Promoter's Shareholding

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ARUN KUMAR JAGATRAMKA				
	a) At the Beginning of the Year	3111512	0.249		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	15973685	1.011	19085197	1.208
	03/10/2016 Invocation	-50000	0.003	19035197	1.186
	15/02/2017 Invocation	-150000	0.009	18885197	1.177
	20/02/2017 Invocation	-800000	0.050	18085197	1.127
	c) At the End of the Year			18085197	1.127
2	ARUN KUMAR JAGATRAMKA, Trustee-ARUNKUMAR FAMILY TRUST				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	12108000	0.766	12108000	0.766
	c) At the End of the Year			12108000	0.755
3	ARUN KUMAR JAGATRAMKA, Trustee-GIRDHARILAL ARUNKUMAR FAMILY TRUST				
	a) At the Beginning of the Year	10474466	0.837		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	22394925	1.417	32869391	2.080
	03/10/2016 Invocation	-150000	0.009	32719391	2.039
	04/10/2016 Invocation	-1250000	0.078	31469391	1.961
	04/10/2016 Invocation	-750000	0.047	30719391	1.915
	13/10/2016 Invocation	-1000000	0.062	29719391	1.852
	04/01/2017 Invocation	-350000	0.022	29369391	1.830
	c) At the End of the Year			29369391	1.830

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	ARUN KUMAR JAGATRAMKA, Trustee-GLJ FAMILY TRUST				
	a) At the Beginning of the Year	2697793	0.216		
	b) Changes during the year				
	Date Reason				
	c) At the End of the Year			2697793	0.168
5	BHACHAU TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	30000000	2.398		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	35955000	2.276
	09/09/2016 Interse Transfer	-5955000	0.371	30000000	1.870
	29/11/2016 Interse Transfer	5955000	0.371	35955000	2.241
	c) At the End of the Year			35955000	2.241
6	BHARAT NRE COKE LIMITED, (Pursuant to merger of Gujarat NRE Mineral Resources Limited)				
	a) At the Beginning of the Year	77326311	6.181		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	782090	0.049	78108401	4.943
	23/05/2016 Invocation	-4000000	0.253	74108401	4.690
	27/05/2016 Invocation	-4000000	0.253	70108401	4.437
	14/06/2016 Invocation	-2000000	0.127	68108401	4.310
	15/06/2016 Invocation	-2000000	0.127	66108401	4.184
	16/06/2016 Invocation	-2000000	0.127	64108401	4.057
	09/09/2016 Interse Transfer	35730000	2.227	99838401	6.222
	29/11/2016 Interse Transfer	-35730000	2.227	64108401	3.995

Annexure - E (contd.)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date Reason				
	10/01/2017 Invocation	-5000000	0.312	59108401	3.684
	20/01/2017 Invocation	-10000000	0.623	49108401	3.061
	14/02/2017 Invocation	-1000000	0.062	48108401	2.998
	15/02/2017 Invocation	-3200000	0.199	44908401	2.799
	c) At the End of the Year			44908401	2.799
7	CRITICAL MASS MULTILINK LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	7576300	0.479	7576300	0.479
	27/01/2017 Invocation	-1000000	0.062	6576300	0.410
	31/01/2017 Invocation	-1000000	0.062	5576300	0.348
	07/02/2017 Invocation	-300000	0.019	5276300	0.329
	c) At the End of the Year			5276300	0.329
8	DHARWAD TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	02/04/2016 Allotment (Conversion of Warrants)	15000000	1.176	15000000	1.176
	c) At the End of the Year			15000000	0.935
9	GAURAV VINIMAY PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	10305680	0.652	10305680	0.652
	c) At the End of the Year			10305680	0.642
10	KHAMBHALIA TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	35000000	2.798		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	40955000	2.592
	09/09/2016 Interse Transfer	-5955000	0.371	35000000	2.181
	29/11/2016 Interse Transfer	5955000	0.371	40955000	2.552
	c) At the End of the Year			40955000	2.552
11	LUNVA TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	02/04/2016 Allotment (Conversion of Warrants)	10000000	0.784	10000000	0.784
	c) At the End of the Year			10000000	0.623
12	MAHANIDHI VYAPAAR PRIVATE LIMITED				
	a) At the Beginning of the Year	30000000	2.398		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	35955000	2.276
	09/09/2016 Interse Transfer	-5955000	0.371	30000000	1.870
	29/11/2016 Interse Transfer	5955000	0.371	35955000	2.241
	c) At the End of the Year			35955000	2.241

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	MANGAL CRYSTAL COKE PRIVATE LIMITED				
	a) At the Beginning of the Year	50000000	3.997		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	55955000	3.541
	09/09/2016 Interse Transfer	-5955000	0.371	50000000	3.116
	29/11/2016 Interse Transfer	5955000	0.371	55955000	3.487
	09/01/2017 Invocation	-5000000	0.312	50955000	3.176
	c) At the End of the Year			50955000	3.176
14	MONA JAGATRAMKA				
	a) At the Beginning of the Year	5855007	0.468		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	10930865	0.692	16785872	1.062
	29/12/2016 Invocation	-1050000	0.065	15735872	0.981
	15/02/2017 Invocation	-4800000	0.299	10935872	0.682
	c) At the End of the Year			10935872	0.682
15	NEWAGE VINIMAY PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	7497430	0.474	7497430	0.474
	c) At the End of the Year			7497430	0.467
16	RUSSELL VALE TRADERS PRIVATE				
	a) At the Beginning of the Year	35000000	2.798		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	40955000	2.592
	09/09/2016 Interse Transfer	-5955000	0.371	35000000	2.181
	29/11/2016 Interse Transfer	5955000	0.371	40955000	2.552
	c) At the End of the Year			40955000	2.552
17	WONGA TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	30000000	2.398		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	5955000	0.377	35955000	2.276
	09/09/2016 Interse Transfer	-5955000	0.371	30000000	1.870
	29/11/2016 Interse Transfer	5955000	0.371	35955000	2.241
	c) At the End of the Year			35955000	2.241
	TOTAL	309465089	24.737	406914064	25.360

GUJARAT NRE COKE LIMITED

Annexure - E (contd.)

D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AKRITI COAL PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	31070000	1.966	31070000	1.936
	c) At the End of the Year			31070000	1.936
2	AMBITION MERCHANTS PRIVATE LIMITED				
	a) At the Beginning of the Year	358439	0.029		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	16670250	1.055	17028689	1.078
	07/10/2016 Transfer	-100000	0.006	16928689	1.055
	21/10/2016 Transfer	-299402	0.019	16629287	1.036
	28/10/2016 Transfer	-790837	0.049	15838450	0.987
	04/11/2016 Transfer	-274274	0.017	15564176	0.970
	31/03/2017 Transfer	216211	0.013	15780387	0.983
	c) At the End of the Year			15780387	0.983
3	AXIS BANK LIMITED				
	a) At the Beginning of the Year	98299603	7.857		
	b) Changes during the year				
	Date Reason				
	29/04/2016 Transfer	86090	0.007	98385693	7.710
	06/05/2016 Transfer	-4250	0.000	98381443	7.710
	17/06/2016 Transfer	-30240	0.002	98351203	6.224
	01/07/2016 Transfer	22000	0.001	98373203	6.131
	08/07/2016 Transfer	-24573	0.002	98348630	6.129
	15/07/2016 Transfer	9670	0.001	98358300	6.130
	05/08/2016 Transfer	-8430	0.001	98349870	6.129
	12/08/2016 Transfer	-61450	0.004	98288420	6.126
	19/08/2016 Transfer	-2500	0.000	98285920	6.125
	26/08/2016 Transfer	-5400	0.000	98280520	6.125
	02/09/2016 Transfer	-28700	0.002	98251820	6.123
	09/09/2016 Transfer	7640	0.000	98259460	6.124
	16/09/2016 Transfer	-26200	0.002	98233260	6.122
	23/09/2016 Transfer	-1070	0.000	98232190	6.122
	30/09/2016 Transfer	32783	0.002	98264973	6.124
	07/10/2016 Transfer	-1970	0.000	98263003	6.124
	14/10/2016 Transfer	24420	0.002	98287423	6.126
	21/10/2016 Transfer	-72807	0.005	98214616	6.121
	28/10/2016 Transfer	21848	0.001	98236464	6.122
	04/11/2016 Transfer	-50	0.000	98236414	6.122
	11/11/2016 Transfer	-46490	0.003	98189924	6.119
	25/11/2016 Transfer	64694	0.004	98254618	6.124
	02/12/2016 Transfer	203600	0.013	98458218	6.136
	23/12/2016 Transfer	-129500	0.008	98328718	6.128
	31/12/2016 Transfer	19480	0.001	98348198	6.129
	06/01/2017 Transfer	100000	0.006	98448198	6.136
	13/01/2017 Transfer	100000	0.006	98548198	6.142
	03/02/2017 Transfer	-2950	0.000	98545248	6.142
	10/02/2017 Transfer	227543	0.014	98772791	6.156
	17/02/2017 Transfer	-100080	0.006	98672711	6.150
	24/02/2017 Transfer	51810	0.003	98724521	6.153
	10/03/2017 Transfer	30000	0.002	98754521	6.155
	17/03/2017 Transfer	-20000	0.001	98734521	6.153
	24/03/2017 Transfer	-27970	0.002	98706551	6.152
	31/03/2017 Transfer	-44450	0.003	98662101	6.149
	c) At the End of the Year			98662101	6.149
4	DHRUPAD TRADERS PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	74568000	4.719	74568000	4.719
	c) At the End of the Year			74568000	4.647

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	ELARA INDIA OPPORTUNITIES FUND LIMITED				
	a) At the Beginning of the Year	19326000	1.545		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19326000	1.204
6	EXPORT- IMPORT BANK OF INDIA				
	a) At the Beginning of the Year	13601050	1.087		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			13601050	0.848
7	ICICI BANK LTD				
	a) At the Beginning of the Year	53432903	4.271		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			53432903	3.330
8	IDBI BANK LTD.				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	30/06/2016 Allotment (Pref.)	24466745	1.525	24466745	1.525
	c) At the End of the Year			24466745	1.525
9	ORANGE MAURITIUS INVESTMENTS LIMITED				
	a) At the Beginning of the Year	18004793	1.439		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			18004793	1.122
10	SICOM LIMITED				
	a) At the Beginning of the Year	13123746	1.049		
	b) Changes during the year				
	Date Reason				
	25/11/2016 Transfer	-1600000	0.100	11523746	0.718
	02/12/2016 Transfer	-1517519	0.095	10006227	0.624
	09/12/2016 Transfer	-1350000	0.084	8656227	0.539
	16/12/2016 Transfer	-815000	0.051	7841227	0.489
	31/12/2016 Transfer	-1150000	0.072	6691227	0.417
	06/01/2017 Transfer	-3922500	0.244	2768727	0.173
	13/01/2017 Transfer	1284132	0.080	4052859	0.253
	20/01/2017 Transfer	2974004	0.185	7026863	0.438
	27/01/2017 Transfer	7319801	0.456	14346664	0.894
	03/02/2017 Transfer	-2314139	0.144	12032525	0.750
	10/02/2017 Transfer	-8743442	0.545	3289083	0.205
	17/02/2017 Transfer	-2041308	0.127	1247775	0.078
	24/02/2017 Transfer	8650000	0.539	9897775	0.617
	c) At the End of the Year			9897775	0.617
11	STATE BANK OF HYDERABAD				
	a) At the Beginning of the Year	77592629	6.202		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			77592629	4.836
12	STATE BANK OF INDIA				
	a) At the Beginning of the Year	239741630	19.163		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			239741630	14.941
13	SYNDICATE BANK				
	a) At the Beginning of the Year	9755213	0.780		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			9755213	0.608
14	THE LAKSHMI VILAS BANK LIMITED				
	a) At the Beginning of the Year	15512703	1.240		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			15512703	0.967
	TOTAL	558748709	44.663	701411929	43.714

Annexure - E (contd.)

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ARUN KUMAR JAGATRAMKA				
	a) At the Beginning of the Year	3111512	0.249		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	15973685	1.011	19085197	1.208
	03/10/2016 Invocation	-50000	0.003	19035197	1.186
	15/02/2017 Invocation	-150000	0.009	18885197	1.177
	20/02/2017 Invocation	-800000	0.050	18085197	1.127
	c) At the End of the Year			18085197	1.127
2	MONA JAGATRAMKA				
	a) At the Beginning of the Year	5855007	0.468		
	b) Changes during the year				
	Date Reason				
	23/05/2016 Allotment (Amalgamation)	10930865	0.692	16785872	1.062
	29/12/2016 Invocation	-1050000	0.065	15735872	0.981
	15/02/2017 Invocation	-4800000	0.299	10935872	0.682
	c) At the End of the Year			10935872	0.682
3	SANANGULY MURARI				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
4	SISIR KUMAR MUKHERJEE				
	a) At the Beginning of the Year	3000	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			3000	0.000
5	AMIT KUMAR MAJUMDAR				
	a) At the Beginning of the Year	15000	0.001		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			15000	0.001
6	MUKUND CHANDAK				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
7	NITIN DAGA				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
	TOTAL	8984519	0.718	29039069	1.810

GUJARAT NRE COKE LIMITED

Annexure - E (contd.)

IV-2 SHARE HOLDING PATTERN ('B' Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	1416651	0	1416651	2.699	1416651	0	1416651	2.699	0.000
b) Central Government									
c) State Governments									
d) Bodies Corporate	14075913	0	14075913	26.817	14075913	0	14075913	26.817	0.000
e) Banks / Financial Institutions									
f) Any Other									
Trust	2008904	0	2008904	3.828	2008904	0	2008904	3.828	0.000
Sub-total (A)(1)	17501468	0	17501468	33.344	17501468	0	17501468	33.344	0.000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	17501468	0	17501468	33.344	17501468	0	17501468	33.344	0.000
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks / Financial Institutions	3651813	0	3651813	6.957	2590411	0	2590411	4.935	-2.022
c) Central Government									
d) State Governments									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors (FI)	1504721	0	1504721	2.867	1504684	0	1504684	2.867	0.000
h) Foreign Venture Capital Funds									
i) Others (Specify)									
FPI - Corporate Cat-II	14296	0	14296	0.027	14332	0	14332	0.027	0.000
Sub-total (B)(1)	5170830	0	5170830	9.851	4109427	0	4109427	7.829	-2.022
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	6515638	7246	6522884	12.427	6578240	7246	6585486	12.547	0.120
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	11811219	297323	12108542	23.069	12163974	291235	12455209	23.730	0.661
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	9758411	0	9758411	18.592	10474101	0	10474101	19.955	1.363
c) Others Specify									
1. NRI	382590	11962	394552	0.752	334309	11179	345488	0.658	-0.094
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	1031033	0	1031033	1.964	1016541	0	1016541	1.937	-0.027
5. Trusts	290	0	290	0.001	290	0	290	0.001	0.000
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	29499181	316531	29815712	56.805	30567455	309660	30877115	58.827	2.022
Total Public Shareholding (B) = (B)(1)+(B)(2)	34670011	316531	34986542	66.656	34676882	309660	34986542	66.656	0.000
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A+B+C)	52171479	316531	52488010	100.000	52178350	309660	52488010	100.000	0.000

Annexure - E (contd.)

B) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	ARUN KUMAR JAGATRAMKA	831151	1.584	100.000	831151	1.584	100.000	0.000
2	ARUN KUMAR JAGATRAMKA, Trustee- GIRDHARILAL ARUN KUMAR FAMILY TRUST	1929125	3.675	100.000	1929125	3.675	100.000	0.000
3	ARUN KUMAR JAGATRAMKA, Trustee-GLJ FAMILY TRUST	79779	0.152	100.000	79779	0.152	100.000	0.000
4	BHARAT NRE COKE LIMITED, (Pursuant to merger of Gujarat NRE Mineral Resources Limited)	14075913	26.818	100.000	14075913	26.818	100.000	0.000
5	MONA JAGATRAMKA	585500	1.115	100.000	585500	1.115	100.000	0.000
	TOTAL	17501468	33.344	100.000	17501468	33.344	100.000	0.000

C) Change in Promoter's Shareholding

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ARUN KUMAR JAGATRAMKA				
	a) At the Beginning of the Year	831151	1.584		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			831151	1.584
2	ARUN KUMAR JAGATRAMKA, Trustee - GIRDHARILAL ARUNKUMAR FAMILY TRUST				
	a) At the Beginning of the Year	1929125	3.675		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1929125	3.675
3	ARUN KUMAR JAGATRAMKA, Trustee- GLJ FAMILY TRUST				
	a) At the Beginning of the Year	79779	0.152		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			79779	0.152
4	BHARAT NRE COKE LIMITED, (Pursuant to merger of Gujarat NRE Mineral Resources Limited)				
	a) At the Beginning of the Year	14075913	26.818		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			14075913	26.818
5	MONA JAGATRAMKA				
	a) At the Beginning of the Year	585500	1.115		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			585500	1.115
	TOTAL	17501468	33.344	17501468	33.344

D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ADHUNIK DEALCOM PRIVATE LIMITED				
	a) At the Beginning of the Year	596845	1.137		
	b) Changes during the year				
	Date Reason				
	20/01/2017 Transfer	79800	0.152	676645	1.289
	c) At the End of the Year			676645	1.289
2	AMBITION MERCHANTS PRIVATE LIMITED				
	a) At the Beginning of the Year	676428	1.289		
	b) Changes during the year				
	Date Reason				
	20/01/2017 Transfer	-85700	0.163	590728	1.125
	c) At the End of the Year			590728	1.125
3	CLASSIC PLASTO PRODUCTS PVT. LTD.				
	a) At the Beginning of the Year	221000	0.421		
	b) Changes during the year				
	Date Reason				
	10/06/2016 Transfer	55000	0.105	276000	0.526
	17/06/2016 Transfer	-39800	0.076	236200	0.450
	10/03/2017 Transfer	-150000	0.286	86200	0.164
	17/03/2017 Transfer	213800	0.407	300000	0.572
	c) At the End of the Year			300000	0.572
4	GKCL STOCK BROKING PVT. LTD.				
	a) At the Beginning of the Year	568000	1.082		
	b) Changes during the year				
	Date Reason				
	29/04/2016 Transfer	10000	0.019	578000	1.101
	06/05/2016 Transfer	6000	0.011	584000	1.113
	03/06/2016 Transfer	45000	0.086	629000	1.198
	10/06/2016 Transfer	-40000	0.076	589000	1.122
	17/06/2016 Transfer	-45000	0.086	544000	1.036
	10/03/2017 Transfer	39000	0.074	583000	1.111
	c) At the End of the Year			583000	1.111
5	ISHANA RAJAN KIRPALANI				
	a) At the Beginning of the Year	475000	0.905		
	b) Changes during the year				
	Date Reason				
	07/10/2016 Transfer	-202695	0.386	272305	0.519
	28/10/2016 Transfer	-22305	0.042	250000	0.476
	02/12/2016 Transfer	-4300	0.008	245700	0.468
	16/12/2016 Transfer	-66	0.000	245634	0.468
	23/12/2016 Transfer	-5000	0.010	240634	0.458
	c) At the End of the Year			240634	0.458

GUJARAT NRE COKE LIMITED

Annexure - E (contd.)

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	ORANGE MAURITIUS INVESTMENTS LIMITED				
	a) At the Beginning of the Year	1504684	2.867		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1504684	2.867
7	PRASANN VENKATARAMAN				
	a) At the Beginning of the Year	692000	1.318		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			692000	1.318
8	RUSHIL RAJAN KIRPALANI				
	a) At the Beginning of the Year	475000	0.905		
	b) Changes during the year				
	Date	Reason			
	07/10/2016	Transfer	-195000	0.372	280000
	28/10/2016	Transfer	-35396	0.067	244604
	04/11/2016	Transfer	-837	0.002	243767
	c) At the End of the Year			243767	0.464
9	SAMRAT VYAPAAR PRIVATE LIMITED				
	a) At the Beginning of the Year	1238385	2.359		
	b) Changes during the year				
	Date	Reason			
	15/04/2016	Transfer	-8286	0.016	1230099
	22/04/2016	Transfer	-21714	0.041	1208385
	29/04/2016	Transfer	-22297	0.042	1186088
	06/05/2016	Transfer	-7355	0.014	1178733
	13/05/2016	Transfer	-28101	0.054	1150632
	20/05/2016	Transfer	-3858	0.007	1146774
	27/05/2016	Transfer	-72500	0.138	1074274
	03/06/2016	Transfer	-10000	0.019	1064274
	08/07/2016	Transfer	-25889	0.049	1038385
	15/07/2016	Transfer	-27000	0.051	1011385
	22/07/2016	Transfer	-2001	0.004	1009384
	c) At the End of the Year			1009384	1.923
10	SICOM LIMITED				
	a) At the Beginning of the Year	3595047	6.849		
	b) Changes during the year				
	Date	Reason			
	09/12/2016	Transfer	-72272	0.138	3522775
	16/12/2016	Transfer	-70000	0.133	3452775
	31/12/2016	Transfer	-50715	0.097	3402060
	06/01/2017	Transfer	-260146	0.496	3141914
	13/01/2017	Transfer	-123500	0.235	3018414
	20/01/2017	Transfer	-114500	0.218	2903914
	27/01/2017	Transfer	-67799	0.129	2836115
	03/02/2017	Transfer	-67718	0.129	2768397
	10/02/2017	Transfer	-130752	0.249	2637645
	17/02/2017	Transfer	-62000	0.118	2575645
	24/02/2017	Transfer	-42000	0.080	2533645
	c) At the End of the Year			2533645	4.827
11	SONEPAT (INDIA) PRIVATE LIMITED				
	a) At the Beginning of the Year	529000	1.008		
	b) Changes during the year				
	Date	Reason			
	03/06/2016	Transfer	-100000	0.191	429000
	10/06/2016	Transfer	71500	0.136	500500
	17/06/2016	Transfer	85000	0.162	585500
	10/03/2017	Transfer	-285500	0.544	300000
	c) At the End of the Year			300000	0.572
12	TRIBHOVANDAS VENDRAVAN BROTHERS (PVT) LTD				
	a) At the Beginning of the Year	427044	0.814		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			427044	0.814

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	VEDIKA SECURITIES.PVT.LT				
	a) At the Beginning of the Year	228260	0.435		
	b) Changes during the year				
	Date	Reason			
	27/05/2016	Transfer	25000	0.048	253260
	03/06/2016	Transfer	90000	0.171	343260
	17/06/2016	Transfer	35826	0.068	379086
	24/06/2016	Transfer	3974	0.008	383060
	10/03/2017	Transfer	-19000	0.036	364060
	17/03/2017	Transfer	201700	0.384	565760
	c) At the End of the Year			565760	1.078
	TOTAL	11226693	21.389	9667291	18.418

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ARUN KUMAR JAGATRAMKA				
	a) At the Beginning of the Year	831151	1.584		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			831151	1.584
2	MONA JAGATRAMKA				
	a) At the Beginning of the Year	585500	1.115		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			585500	1.115
3	SANANGULY MURARI				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
4	SISIR KUMAR MUKHERJEE				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
5	AMIT KUMAR MAJUMDAR				
	a) At the Beginning of the Year	1410	0.003		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1410	0.003
6	MUKUND CHANDAK				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
7	NITIN DAGA				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
	TOTAL	1418061	2.702	1418061	2.702

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,782.77	132.66	-	2,915.43
ii) Interest due but not paid	72.66	-	-	72.66
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,855.43	132.66	-	2,988.09
Change in Indebtedness during the financial year				
Additions	511.50	-	-	511.50
Reduction	(30.89)	-	-	(30.89)
Net Change	480.61	-	-	480.61
Indebtedness at the end of the financial year				
i) Principal Amount	2,948.97	132.66	-	3,081.63
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	387.07	-	-	387.07
Total (i+ii+iii)	3,336.04	132.66	-	3,468.70

* Reduction include Rs. 26.99 crores on account of Preferential Shares issue under CDR to CDR Lenders.

Annexure - E (contd.)

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/ WTD/Manager	Total (Rs.)
1	Gross salary	A K JAGATRAMKA	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	5124000	5124000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1950000	1950000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option	0	0
3	Sweat Equity	0	0
4	Commission as % of profit	0	0
	others (specify)		
5	Others, please specify	0	0
	Total (A)	7074000	7074000
	Ceiling as per the Act	Upto maximum of Rs. 60.00 lacs per annum plus 0.01% of the effective capital in excess of Rs. 250.00 crs.	

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount (Rs.)
1	Independent Directors	A K MAJUMDAR	S K MUKHERJEE	M SANANGULY	
	(a) Fee for attending Board and Committee meetings	260000	220000	260000	
	(b) Commission	0	0	0	
	(c) Others, please specify	0	0	0	
	Total (1)	260000	220000	260000	740000
2	Other Non Executive Directors	MONA JAGATRAMKA			
	(a) Fee for attending Board and Committee meetings	100000			
	(b) Commission	0			
	(c) Others, please specify.	0			
	Total (2)	100000			100000
	Total (B)=(1+2)				840000
	Total Managerial Remuneration (A + B)				7914000
	Overall Ceiling as per the Act.	Upto a maximum of Rs. 1.00 lac per meeting of Board or Committee thereof per Directors			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (Rs.)
1	Gross Salary	Mukund Chandak Company Secretary	Nitin Daga CFO*	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1759260	1938750	3698010
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	70250	76150	146400
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
5	Others, please specify	0	0	0
	Total	1829510	2014900	3844410

*Worked as Manager - Commercial till 13th September, 2016 and appointed as CFO w.e.f 14th September, 2016.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			None		
Punishment			None		
Compounding			None		
B. DIRECTORS					
Penalty			None		
Punishment			None		
Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

Annexure - F

Disclosure with respect to Employees Stock Option Scheme of the Company -

Sr	Particulars	GNCL Employee Stock Option Scheme, 2007 – 1st Tranche	GNCL Employee Stock Option Scheme, 2007 – 2nd Tranche	GNCL Employee Stock Option Scheme, 2007 – 3rd Tranche	GNCL Employee Stock Option Scheme, 2007 – 4th Tranche
1	Total number of options under the Plan	33,90,800 Options (includes 27,77,600 options also entitled to receive 2,77,760 "B" Equity Shares as bonus shares) (options issued initially - 25,06,000 plus bonus options issued - 8,84,800)	4,26,600 Options (includes 3,65,400 options also entitled to receive 36,540 "B" Equity Shares as bonus shares) (Options issued initially - 3,09,000 plus bonus options issued - 1,17,600)	32,14,000 Options	35,60,000 Options
2	Options Granted during the year	Nil	Nil	Nil	Nil
3	Pricing Formula	Options were granted on 02.06.2007 at the closing market price of the shares of the Company on NSE on the day immediately preceding the date of grant of the options i.e. Rs.60.20 per share. Price of all options under the Scheme was adjusted to Rs.43 per share on account of bonus issue in 2008. All options were re-priced at Rs.18.05 per share as per Note given below. Consequent upon a further bonus issue of "B" Equity Shares in 2010, the price was not adjusted but 27,77,600 options outstanding at that time were entitled to receive 2,77,760 "B" Equity Shares as bonus shares free of cost in the ratio of 1 "B" Equity Share upon conversion of every 10 options into 10 equity shares.	Options were granted on 19.01.2008 at Rs.120 per share at a discount to the market price on a day immediately preceding the date of grant of options to make it lucrative to the employees. Price of all options under the Scheme was adjusted to Rs.85.72 per share on account of bonus issue in 2008. All options were re-priced at Rs.18.05 per share as per Note given below. Consequent upon a further bonus issue of "B" Equity Shares in 2010, the price was not adjusted but 3,65,400 options outstanding at that time were entitled to receive 36,540 "B" Equity Shares as bonus shares free of cost in the ratio of 1 "B" Equity Share upon conversion of 10 options into 10 equity shares.	Options were granted on 9.7.2010 at the closing market price of the shares of the Company on NSE on the day immediately preceding the date of grant of options i.e. Rs.63.05 per share.	Options were granted on 30.9.2011 at the closing market price of the shares of the Company on NSE on the day immediately preceding the date of grant of options i.e. Rs.24.30 per share.
4	Options Vested (as on March 31, 2017)	23,100 Options	9,240 Options	10,81,000 Options	17,55,000 Options
5	Options Exercised during the year	Nil	Nil	Nil	Nil
6	Total number of shares arising as a result of exercise of options	Not Applicable	Not Applicable	Not applicable	Not applicable
7	Options lapsed/forfeited during the year	3,49,580 Options (Options lapsed till Prev. Year - 2,83,360)	9,240 Options (Options lapsed till Prev. Year - 9,240)	7,14,000 Options (Options lapsed till previous year - 3,57,000 Options)	2,11,500 Options (Options lapsed till previous year - 4,11,750 Options)
8	Variation of terms of options upto March 31, 2016	Nil	Nil	Nil	Nil
9	Money realized by exercise of options during the year	Nil	Nil	Nil	Nil

Annexure - F (contd.)

Sr	Particulars	GNCL Employee Stock Option Scheme, 2007 – 1st Tranche	GNCL Employee Stock Option Scheme, 2007 – 2nd Tranche	GNCL Employee Stock Option Scheme, 2007 – 3rd Tranche	GNCL Employee Stock Option Scheme, 2007 – 4th Tranche	
10	Total number of options in force at the end of the year	12,34,800 Options (these options are also entitled to receive 1,23,480 "B" Equity Shares as bonus shares).	79,800 Options (these options are also entitled to receive 7,980 "B" Equity Shares as bonus shares).	10,81,000 Options	17,55,000 Options	
11	Employee wise details of options granted to: <ul style="list-style-type: none"> i) Senior Managerial Personnel ii) Employees holding 5% or more of the total number of options granted during the year iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. 	List given below. Options to Directors given in Corporate Governance Report Nil Nil	List given below. Options given to Directors – Nil Nil Nil	List given below. Options to Directors given in Corporate Governance Report Nil Nil	List given below. Options to Directors given in Corporate Governance Report Nil Nil	
12	Diluted Earnings Per Share (EPS) pursuant to issue of shares on the exercise of option calculated in accordance with Accounting Standard (AS) 20	No options were exercised during the year.				
13	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company.	The Company has calculated Employee Compensation Costs on the basis of Intrinsic Value Method and has amortized Rs. (43,20,266.87) for the year ended 31st March, 2017 in respect of 1st & 2nd Tranches of ESOP 2007 Scheme. However, had the company followed Fair Value Method for calculating Employee Compensation Costs, such costs for the year would have been lower by Rs. 4,52,744.12 and the Profit/(Loss) after tax would have been higher by the like amount and its impact on Basic as well as Diluted EPS would have been negligible.		Not Applicable		
14	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

Annexure - F (contd.)

Sr	Particulars	GNCL Employee Stock Option Scheme, 2007 – 1st Tranche	GNCL Employee Stock Option Scheme, 2007 – 2nd Tranche	GNCL Employee Stock Option Scheme, 2007 – 3rd Tranche	GNCL Employee Stock Option Scheme, 2007 – 4th Tranche
15	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the weighted average information.	The fair value of options is estimated using Black Scholes Option Pricing Model after applying the following key assumptions i) Risk free interest rate - 6.23% ii) expected life - 10 Years iii) expected volatility 84% iv) expected dividends - 3% v) the price of the underlying share in market at the time of option/grant - the market price (i.e. closing price at NSE) on the day immediately preceding the day of grant i.e. Rs.60.20 per share.	The fair value of options is estimated using Black Scholes Option Pricing Model after applying the following key assumptions i) Risk free interest rate - 6.23% ii) expected life - 10 Years iii) expected volatility 84% iv) expected dividends - 3% v) the price of the underlying share in market at the time of option/grant - the market price (i.e. closing price at NSE) on the day immediately preceding the day of grant i.e. Rs.139.15 per share.	The fair value of options is estimated using Black Scholes Option Pricing Model after applying the following key assumptions i) Risk free interest rate - 8.0907% ii) expected life - 10 Years iii) expected volatility 85% iv) expected dividends - 2% v) the price of the underlying share in market at the time of option/grant - the market price (i.e. closing price at NSE) on the day immediately preceding the day of grant i.e. Rs.63.05 per share.	The fair value of options is estimated using Black Scholes Option Pricing Model after applying the following key assumptions i) Risk free interest rate - 8.33% ii) expected life - 10 Years iii) expected volatility 85% iv) expected dividends 3.2% v) the price of the underlying share in market at the time of option/grant - the market price (i.e. closing price at NSE) on the day immediately preceding the day of grant i.e. Rs.24.30 per share.

NB - The shareholders through postal ballot as per its results declared on 2nd May, 2009 have approved re-pricing of all options issued under GNCL Employee Stock Option Scheme, 2007- 1st Tranche and 2nd Tranche at Rs.18.05 per option.

List of employee wise details of Options Granted to Senior Managerial Personnel and outstanding as on 31.3.2017

Sr	Name of the Senior Managerial Personnel	Options granted under GNCL Employee Stock Option Scheme, 2007 – 1st Tranche		Options granted under GNCL Employee Stock Option Scheme, 2007 – 2nd Tranche		Options granted under GNCL Employee Stock Option Scheme, 2007 – 3rd Tranche		Options granted under GNCL Employee Stock Option Scheme, 2007 – 4th Tranche	
		Equity Shares	“B” Equity Shares	Equity Shares	“B” Equity Shares	Equity Shares	Equity Shares	Equity Shares	Equity Shares
1	Mr. P. K. Agrawal	42,000	4,200	-	-	27,000	25,500	25,500	18,000
2	Mr. S. K. Maskara	-	-	42,000	4,200	27,000	25,500	25,500	18,000
3	Mr. B. N. Tiwari	29,400	2,940	-	-	21,000	18,000	18,000	18,000
4	Mr. R. K. Agarwal	-	-	-	-	21,000	18,000	18,000	18,000

Annexure - G

PARTICULARS OF EMPLOYEES

(Pursuant to Section 134 (3) (q) of the Companies Act, 2013 read with Rule 5(1) of the Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Sl. No.	Requirements of Rule 5(1)	Details
I	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Arun Kumar Jagatramka - 19.25 None of the other directors received any remuneration other than sitting fees during FY 2016-17
II	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Director Mr. Arun Kumar Jagatramka - (6.95%) Key Managerial Personnel Mr. Nitin Daga, CFO - 18.41% Mr. Mukund Chandak, CS- 7.36%
III	the percentage increase in the median remuneration of employees in the financial year;	1.31%
IV	the number of permanent employees on the rolls of company;	282 employees as on 31.03.2017
V	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average salary increase of non-managerial employees is 5.46% Average salary increase of managerial employees is 2.50% There are no exceptional circumstances in the increase of managerial remuneration.
VI	affirmation that the remuneration is as per the remuneration policy of the company	The remuneration paid during the year ended 31.03.2017 is as per the Remuneration Policy of the company

Note: Mr. Nitin Daga worked as Manager Commercial till 13th September 2016 and appointed as CFO w.e.f 14th September 2016

Particulars of Employees pursuant to Section 197 and 134 (3) (q) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Top 10 employees in terms of remuneration drawn during the year:

- (1) Mr. Arun Kumar Jagatramka, (2) Ms. Kavita Jagatramka, (3) Mr. Pawan Kumar Agrawal, (4) Mr. Sunil Kumar Maskara, (5) Mr. Nitin Daga, (6) Mr. Mukund Chandak, (7) Mr. Rajesh Kumar Agarwal, (8) Mr. Dilip Kumar Singh, (9) Mr. Nayyer Hassan and (10) Mr. Sutirtha Roy

Note: None of the employees, as mentioned above, has drawn remuneration during the year in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. As such, the disclosures required under the said rule are not applicable.

Report on Corporate Governance

1. Philosophy on Corporate Governance:

Gujarat NRE Coke Limited defines Corporate Governance as a systematic process by which companies are directed and controlled keeping in mind the long term interest of the stakeholders. It firmly believes that good Corporate Governance is the foundation of corporate excellence and strengthens the investors' trust and ensures a long term partnership which helps in achieving Company's objectives. The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. This philosophy is manifested in its operations through exemplary standards of ethical behavior.

Gujarat NRE Coke is committed to good Corporate Governance by creating an environment based on entrepreneurship, professionalism and pursuit for excellence. The company's corporate governance is based on two core principles:

- Management must have executive freedom to drive the enterprise forward without undue restraints; and
- This freedom of management must be exercised within a framework of effective accountability.

The above belief and core principles of Corporate Governance adopted by Gujarat NRE Coke leads the company's governance philosophy, trusteeship,

transparency, independence, fairness, accountability and social responsibility, which in turn is the basis of public confidence in corporate system.

A Report in line with the requirement of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017 is given below.

2. Board of Directors:

Composition, Category & Independence etc.

The Board of Directors of the Company represents an appropriate mix of executive and Non-executive Directors. The Board consists of five members – (1) One Executive, Non-Independent Director, (2) One Non-executive Non-Independent Director and (3) Three Non-Executive Independent Directors.

All the Independent Directors satisfies the criteria of independence as provided in the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Non-Executive Directors are eminent professionals and bring their professional expertise and experience to the management of the Company.

The Chairman & Managing Director has been appointed by the shareholders on terms and conditions including remuneration as per the recommendation of the Board of Directors. The Non-Executive Directors are appointed or reappointed with the approval of the shareholders.

The following Table indicates the composition of Board of Directors of the Company and the number of other Boards and Board committees served by them as member(s)/chairman as on 31st March 2017:

DIN	Name of the Director	Category	No. of other Directorships*	No. of other Board Committee** position as	
				Member	Chairman
00003835	Mr. Arun Kumar Jagatramka, <i>Chairman & Managing Director</i>	Promoter Executive	6	1	1
00003316	Mrs. Mona Jagatramka	Promoter Non-Executive	6	1	-
00194123	Mr. Amit Kumar Majumdar	Independent Non Executive	3	-	-
03054675	Mr. Sisir Kumar Mukherjee	Independent Non Executive	1	1	2
00573083	Mr. Murari Sananguly	Independent Non Executive	-	-	-

* Directorship in Foreign Companies, Private Limited Companies and Companies covered under Section 8 of the Companies Act, 2013 have not been considered.

** Only the positions held in Committees, such as Audit and Stakeholders' Relationship committee in Indian Public Limited Companies have been considered.

Meetings and Attendance Record of Directors.

The Board meets on a regular basis to ensure overall focus on preserving and increasing stakeholders' value. This includes review of Company strategy and performance, management oversight, ethical business practices and legal compliance, accounting and financial controls, financial structure, preservation of assets and Board effectiveness. The required information as enumerated in Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board of Directors for discussion and consideration at the Board Meeting. The Chairman & Managing Director keeps the Board apprised of the overall operations & performance of the Company and about the market of the products of the Company.

During the year ended on March 31, 2017, 6 (six) Board Meetings were held on 29 May 2016, 14 September 2016, 19 September 2016, 10 December 2016, 11 February 2017 and 21 March 2017. The time gap between any two consecutive board meetings did not exceed four months. The last AGM was held on 19 September, 2016.

The following Table indicates the attendance of each Director at these Board Meetings and at the last Annual General Meeting (AGM)

Name of the Directors	No. of Board Meetings held	No. of Board Meetings Attended *	Attendance at last AGM held on 19.09.2016
Mr. Arun Kumar Jagatramka	6	6	Yes
Mrs. Mona Jagatramka	6	5	Yes
Mr. Sisir Kumar Mukherjee	6	6	Yes
Mr. Murari Sananguly	6	6	Yes
Mr. Amit Kumar Majumdar	6	6	Yes

(* Includes participation through tele-conference/video-conference)

3. Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and senior management personnel for avoidance of conflict of interest. This Code inter alia requires the Board members and senior management personnel to comply with the Code of Conduct for Insider Trading as laid down by Securities & Exchange Board of India (SEBI). The Company has received necessary confirmations affirming compliance of the Code from all of them during the year 1.4.2016 to 31.3.2017. A declaration to this effect, duly signed by the Chairman & Managing Director of the Company, is annexed hereto and forms a part of this Report.

4. Board Committees:

To focus effectively on the issues and ensure expedient decision making/resolution of diverse matters, the Board has constituted various

Committees with specific terms of reference/ scope. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid-course corrections are also carried out.

As on 31st March 2017, there are 6 (six) Committees of the Board namely Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Management Committee and Risk Management Committee. The scope of the said Committees and its memberships etc. are as follows:

(a) Audit Committee

- Terms of Reference.** The primary objective of the committee is to monitor and provide effective supervision of the Management's financial reporting process to ensure accurate and timely

Report on Corporate Governance (contd.)

disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The terms of reference of the Audit Committee are in conformity with the requirements of Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. These broadly cover the following:

- 1) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) To review and recommend to the Board the appointment, re-appointment, remuneration and terms of appointment and if required, the removal of statutory auditors.
- 3) To review and monitor the auditor's independence and performance and effectiveness of audit process.
- 4) To review and examine with the management, the financial statements before submission to the Board, focusing primarily on Directors Responsibility Statement which forms part of the Directors Report, accounting policies, compliance with accounting standards, compliance with Stock Exchanges and listing requirements, inter corporate loans and investments and transactions of the company with related parties including approval or any subsequent modification thereof etc.
- 5) To review with the management, external and internal auditors, the adequacy of internal control systems.
- 6) To discuss with the Auditors on the scope and nature of Audit and also to have Post Audit discussion to ascertain any area of concern.
- 7) To review the Company's financial and risk management policies.
- 8) To review the minutes of the Board meetings of the unlisted subsidiary company along with a statement of significant transactions and arrangements it has entered into, if any.
- 9) Overseeing Vigil Mechanism for adequate safeguards against victimization of employees and directors.
- 10) To undertake such other matters as may be delegated by the Board from time to time.

ii) Composition

The composition of the Audit Committee as on 31st March 2017 is as follows:

Mr. Sisir Kumar Mukherjee - (Independent – Non-Executive)
 Mr. Amit Kumar Majumdar - (Independent – Non-Executive)
 Mr. Murari Sananguly - (Independent – Non-Executive)

Mr. Sisir Kumar Mukherjee is the Chairman of the Committee.

All the members of the Committee are Independent, Non-Executive Directors having extensive experience in the respective fields of accounting, taxation, business policies and management. The Company Secretary acts as the Secretary to this Committee.

iii) Meetings and Attendance

The Audit Committee met four times during the year under review on 29 May 2016, 14 September 2016, 10 December 2016 and 11 February 2017.

The attendance of the committee members in these meetings were as follows.

Name(s)	Held	Attended*
Mr. Sisir Kumar Mukherjee	04	04
Mr. Murari Sananguly	04	04
Mr. Amit Kumar Majumdar	04	04

(* Includes participation through tele-conference/video-conference)

The Statutory Auditors of the Company are invited to attend audit committee meeting whenever required. Chairman & Managing Director, Chief Financial Officer (CFO), Chief Commercial Officer, Vice President Accounts and Internal Auditor and other senior executives are also invited to attend and deliberate in the Audit Committee meetings.

Mr. Sisir Kumar Mukherjee, the Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

(b) Stakeholders Relationship Committee

The Committee consists of the following members:

Mr. Arun Kumar Jagatramka - Promoter - Executive

Mr. Sisir Kumar Mukherjee - Independent - Non Executive

Mr. Murari Sananguly - Independent – Non Executive

The Committee meets at regular intervals to consider and approve transfers, transmission and issue of duplicate share certificates. The Committee looks into the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Annual Reports & Accounts, non-receipt of dividends, non receipt of duplicate share certificates etc. The Committee met 4 times during the year under review and the attendance of the committee members in these meetings were as follows:

Name(s)	Held	Attended*
Mr. Arun Kumar Jagatramka	04	04
Mr. Sisir Kumar Mukherjee	04	04
Mr. Murari Sananguly	04	04

(* Includes participation through tele-conference/video-conference)

Mr. Mukund Chandak, Company Secretary has been designated as the Compliance Officer by the Board and assigned with the responsibilities of overseeing shareholders'/investors' grievances under the supervision of the Committee. He also acts as the Secretary to this Committee. There were no complaints which remained pending at the beginning of the year and out of 7 complaints received during the year, all complaints were redressed and no complaint was pending as on 31st March, 2017.

(c) Nomination & Remuneration Committee.

The Committee consists of following members:

Mr. Sisir Kumar Mukherjee - Independent – Non-Executive

Mr. Arun Kumar Jagatramka - Non-Independent – Executive

Mr. Amit Kumar Majumdar - Independent – Non-Executive

Mr. Murari Sananguly - Independent – Non-Executive

The terms of reference of this Committee is 1) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. 3) While formulating the Policy, the Committee shall ensure that (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. The Company is committed to make full disclosures regarding its payment to all directors. Apart from sitting fees for attending Board and Committee meetings the Company did not pay any other remuneration to the non-executive directors during the year under review. The details of remuneration paid by the Company to its Executive and Non-executive Directors during the year under review are given below. The Company Secretary acts as the Secretary to this Committee.

The attendance at the meeting of the Committee during the year under review is as follows:

Name(s)	Held	Attended*
Mr. Sisir Kumar Mukherjee	02	02
Mr. Arun Kumar Jagatramka	02	02
Mr. Amit Kumar Majumdar	02	02
Mr. Murari Sananguly	02	02

(* Includes participation through tele-conference/video-conference)

(i) Payments made to the Chairman and Managing Director for the year ended 31 March, 2017 under review are given in the following Table:

Name of the Directors	Salary (Rs.)	Perquisite (Rs.)	Commission (Rs.)	Contribution to PF / Pension Fund (Rs.)	Total (Rs.)	Service Contract/ Notice Period/ Severance Fees
Mr. Arun Kumar Jagatramka	42,00,000	19,50,000	0	9,24,000	70,74,000	As per Service Contract

NB - The remuneration paid to Mr. Arun Kumar Jagatramka during the year 2016-17 was in accordance with the provisions of Schedule V of the Companies Act 2013.

Report on Corporate Governance (contd.)

(ii) Details of sitting fees paid to the non-executive Directors for the year ended March 31, 2017 along with shares/convertible instruments held by them are given in the following Table:

Name of the Director	Equity Shares & "B" Equity Shares held	Sitting Fees Paid * (Rs.)	Commission Paid (Rs.)	Service Contract/ Notice Period/ Severance Fees
Mrs. Mona Jagatramka	1,09,35,872 Equity Shares & 5,85,500 "B" Equity Shares	1,00,000	Nil	Non-Executive Director
Mr. Murari Sananguly	Nil	2,60,000	Nil	Independent Director
Mr. Sisir Kumar Mukherjee	3,000 Equity Shares	2,20,000	Nil	Independent Director
Mr. Amit Kumar Majumdar	15,000 Equity Shares & 1,410 "B" Equity Shares	2,60,000	Nil	Independent Director

(* includes sitting fees paid for attending any committee meeting.)

NB - Non-executives Directors hold no convertible instrument issued by the Company except ESOP and the details of their holdings in ESOP are given below.

(iii) Details of Outstanding Stock Options held by Directors, if any, as on 31st March 2017 and whether issued at a discount as well as the period over which accrued and over which exercisable are given in the following Tables :

A) Under GNCL Employee Stock Option Scheme, 2007 – 3rd tranche

Name of the Director	Options Outstanding as on 31.3.2017	Whether issued at a discount	Period over which Accrued	Period over which exercisable
Mr. Murari Sananguly	70,000	No	On or after 1.6.2013	1.6.2013 to 31.5.2016

NB - The abovementioned options were re-priced and are convertible at the rate of Rs. 18.05 per share as already stated in an Annexure to the Directors Report i.e. Disclosure on ESOP.

B) Under GNCL Employee Stock Option Scheme, 2007 – 4th tranche -

Name of the Director	Options Outstanding as on 31.3.2017	Whether issued at a discount	Period over which Accrued	Period over which exercisable
Mr. Murari Sananguly	15,000	No	On or after 30.09.2014	30.09.2014 29.09.2017
	15,000	No	On or after 30.09.2015	30.09.2015 29.09.2018
	15,000	No	On or after 30.09.2016	30.09.2016 29.09.2019

(d) Management Committee

Management Committee consists of the following members:

- i. Mr. Arun Kumar Jagatramka, CMD – Committee Chairman
- ii. Mr. Amit Kumar Majumdar, Director
- iii. Mr. Sisir Kumar Mukherjee, Director
- iv. Mr. Pawan Kumar Agrawal, Chief Commercial Officer,
- v. Ms. Kavita Jagatramka, Senior Vice President

The term of reference of the committee comprises of matters such as allotment of shares on conversion of FCCBs/ Warrants/ESOP etc., to borrow other than by issue of Debenture(s), to give Loan(s)/ Advance(s) as well as to invest funds of the company, to issue securities and/or to provide guarantee(s) on the basis of limits prescribed by the Board, opening and closure of bank accounts, filing of forms and any other matter of routine nature etc. subject to guidelines and supervision of the Board. The Company Secretary acts as the Secretary to this Committee. The committee met 5 (five) times during the year under review.

(e) Corporate Social Responsibility Committee

Corporate Social Responsibility Committee consists of the following members:

- Mr. Sisir Kumar Mukherjee- Independent – Non-Executive
 Mr. Arun Kumar Jagatramka- Non-Independent – Executive
 Mr. Murari Sananguly- Independent – Non-Executive

The term of reference of the committee comprises of 1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule IV of the Companies Act 2013. 2) Recommend the activities by giving preference to the local area and area around it where the company operates for spending the amount earmarked for Corporate Social Responsibility activities. 3) Recommend the amount of expenditure to be incurred on the activities referred to above. 4) Where the Company fails to spend such amount, to specify the reason for not spending the amount. 5) Monitor Corporate Social Responsibility Policy of the Company from time to time. The Company Secretary has been appointed as the Secretary to this Committee. No meeting of the committee was held during the year under review.

(f) Risk Management Committee

Risk Management Committee consists of the following members:

- Mr. Sisir Kumar Mukherjee- Independent – Non Executive
 Mr. Arun Kumar Jagatramka- Non-Independent – Executive
 Mr. Murari Sananguly- Independent – Non Executive

The term of reference of the committee comprises of 1) To identify, evaluate and suggest methods for mitigating operational, strategic and environmental risks. 2) To prepare, monitor and approve risk policies and associated practices of the company. 3) To review and approve risk disclosure statements or other statements relating to risk management. The Company Secretary has been appointed as the Secretary to this Committee. No meeting of the committee was held during the year under review.

5. Independent Directors

The Company has complied with the provisions of section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Independent Directors. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

a) Separate Meeting of the Independent Directors :

The Independent Directors held a Meeting on 11 February, 2017 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I) Reviewed the performance of non-independent directors and the Board as a whole;
- II) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Report on Corporate Governance (contd.)

6. General Body Meetings:

a) The details of last 3 Annual General Meetings :

Year	Meeting	Location	Date	Time	Special Resolution, if any
2015-16	29th AGM	Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700 017	19.09.2016	11.00 A.M.	No
2014-15	28th AGM	Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700 017	10.08.2015	10.30 A.M.	Yes
2013-14	27th AGM	Vidya Mandir, 1, Moira Street, Kolkata – 700 017	30.09.2014	10.30 A.M.	Yes

b) **Postal Ballot:** No resolutions were passed through Postal Ballots by the company during the financial year ended 31- March 2017.

7. Subsidiaries:

As on 31- March 2017, the Company had two Subsidiaries i.e. Manor Dealcom Pvt. Ltd and Huntervalley Coal Pvt. Ltd. The Company is adequately represented on the Board of Subsidiaries. The financial performance of the Subsidiaries is discussed by the Board at its meeting and the details of investment made by and minutes of the unlisted subsidiaries are also reviewed by the Company's Board.

8. Disclosures:

a) **Materially significant Related Party Transactions** - The Company has not entered into any transactions of material nature, with its promoters, Directors or the Management, its Subsidiaries or with Director's relatives, etc. that may have potential conflict with its interest at large, other than those in the normal course of business. The transactions undertaken during the year have been disclosed in Note No. 40 of Notes to Financial Statements for the year ended March 31, 2017. The Company's major related party transactions are generally with its Subsidiaries and Group Associates. The related party transactions are entered into based on consideration of various business exigencies, synergy in operations, and optimization of market share, profitability, legal requirements, liquidity and capital resources of Subsidiaries/Associates. All related party transactions are negotiated at arm's length basis and in the interest of the Company. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#4>.

b) **Details of Compliance** - The Company is regular in complying with the requirements of the regulatory authorities on the matters relating to the Capital market and no penalties/strictures have been imposed on the Company by Stock Exchange or SEBI or any regulatory authority, during last three years.

c) **Whistle Blower Policy/ Vigil Mechanism** – Pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013, the Company has a Whistle Blower Policy and appropriate mechanism in place. Employees can directly report to the top most management (including Chairman & Managing Director and/or the members of the Board/Audit Committee) any concerns about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Management on its turn is responsible for establishing a fearless atmosphere where reporting employee doesn't fear being harassed, demoted or retaliated or threatened in any way and simultaneously receiving, investigating and acting upon complaints and concerns regarding actual/ possible violation of Code of Conduct or an event that could affect the business and/or reputation of the Company and/or its Subsidiaries or its Associates. No personnel of the company have been denied access to the audit committee during the year under review. The Whistle Blower/ Vigil Mechanism Policy have been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#6>.

d) **Policy on Material Subsidiaries** – In accordance with requirements of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has in place a Policy on Material Subsidiaries. The Policy, as approved by the Board, has been uploaded on the website of the Company at <http://www.gujaratnre.com/Policies.html#3>

e) **Non-Mandatory Requirements** – The Company is duly complying with all the mandatory requirements of Schedule V of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 and it has also adopted some of the non-mandatory requirements as laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as Modified opinion(s) in audit report and Reporting of Internal Auditor.

f) The disclosures on corporate governance as required under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulations 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adhered and complied with.

9. Means of Communication:

- The quarterly, half yearly and yearly financial results of the Company as taken on record and approved by the Board of Directors are published in leading newspapers such as Economic Times (English) in its All India editions and Ei-Somoy (Bengali) in its West Bengal edition.
- The quarterly, half yearly and yearly financial results are also sent immediately upon conclusion of the meeting approving them, to the Stock Exchange(s) on which the Company's shares are listed.
- Copies of the financial results and Annual Reports of the Company are provided to various Analysts, Government Departments, Investors and others interested in getting the same upon receipt of requests.
- The Management Discussion and Analysis is annexed to the report and forms a part of this Annual Report.
- The quarterly, half yearly and yearly results, press releases and relevant presentations of the Company are displayed in the company's website: www.gujaratnre.com.

10. General Shareholders' Information:

a) Annual General Meeting:

Date and Time : Wednesday,
20th day of September, 2017 at 11.00 a.m.
Venue : Rotary Sadan,
94/2 Chowringhee Road, Kolkata – 700 020

b) **Financial Year** : 12 months from 1st April, 2016 to 31st March, 2017.

c) **Book Closure Date** : Thursday, the 14th day of September, 2017 to Wednesday, 20th day of September, 2017 (Both days inclusive)

d) **Particulars in respect of Unclaimed dividends paid by the Company for the financial year 2009-10(Final Dividend) and thereafter is given in the following Table:**

Financial year	Date of declaration of Dividend	Last date of claiming unpaid Dividend
2009-10 (Final)	10.09.2010	09.09.2017
2010-11(Final)	30.09.2011	29.09.2018

e) Listing of Equity Shares on Stock Exchanges:

- BSE Ltd.
P J Towers, Dalal Street, Fort, Mumbai – 400001
- National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

f) Listing Fees:

Annual Listing Fees for the year 2017-2018 have been paid to both the Stock Exchanges. The Company has also paid the Annual Custody Fees to both the Depositories for the year 2017-2018.

g) Depositories:

- National Securities Depository Ltd.
Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400013.
- Central Depository Services (India) Ltd.
P J Towers, 17th Floor, Dalal Street, Fort,
Mumbai – 400001.

h) Stock Codes:

Equity Shares :
Stock Exchange(s) - **Stock Code**
Bombay Stock Exchange, (BSE) 512579
National Stock Exchange (NSE) GUJNRECOKE
ISIN of equity shares INE110D01013
(on both the depositories)

Report on Corporate Governance (contd.)

“B” Equity Shares (DVR Shares) :

Stock Exchange(s) -Stock Code

Bombay Stock Exchange, (BSE) 570003
 National Stock Exchange (NSE) GUJNREDVR
 ISIN of “B” equity shares IN9110D01011
 (on both the depositories)

Series	Non-convertible Debentures	Stock Id at BSE	Stock Code at BSE	ISIN No. at NSDL
2nd	11.9% NCD's of Rs. 10 lac each	GUJNRE07029	946074	INE110D07044
4th	12.5% NCD's of Rs. 10 lac each	GNCL30MAY9A	946143	INE110D07101
6th	12.5% NCD's of Rs. 10 lac each	GNCL30MAY9C	946145	INE110D07077
7th	12.5% NCD's of Rs. 10 lac each	GNCL30MAY9D	946146	INE110D07085
8th	12.5% NCD's of Rs. 10 lac each	GNCL30MAY9E	946147	INE110D07093
9th	11% NCD's of Rs. 10 lac each	GUJNRE09039	946671	INE110D07119
10th	10.9%NCD's of Rs. 10 lac each	1090GUJ22	948228	INE110D07127

i) Market Price Data:

The Market Price of the Equity Shares of the Company during 2016-17 is given in the table below:

Equity Shares -

Months	BSE		NSE	
	High	Low	High	Low
April 2016	3.41	2.89	3.45	2.85
May 2016	3.38	2.50	3.40	2.50
June 2016	3.22	2.45	3.25	2.50
July 2016	4.24	3.13	4.25	3.15
August 2016	3.70	3.05	3.70	3.00
September 2016	3.76	3.02	3.75	3.00
October 2016	4.40	3.06	4.40	3.20
November 2016	4.25	3.02	4.05	3.05
December 2016	3.60	2.98	3.55	2.95
January 2017	3.23	2.83	3.25	2.80
February 2017	3.25	2.75	3.25	2.75
March 2017	3.00	2.30	3.00	2.30

“B” Equity Shares (DVR Shares) -

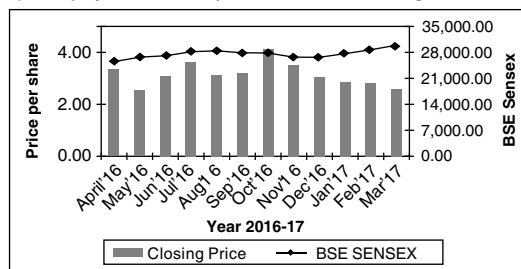
Months	BSE		NSE	
	High	Low	High	Low
April 2016	2.25	1.85	2.20	1.90
May 2016	2.19	1.71	2.25	1.75
June 2016	2.34	1.71	2.40	1.70
July 2016	3.49	2.10	3.45	2.05
August 2016	2.60	1.97	2.70	2.00
September 2016	2.87	2.05	2.80	2.10
October 2016	3.70	2.31	3.85	2.20
November 2016	3.84	2.57	3.70	2.65
December 2016	3.28	2.63	3.35	2.70
January 2017	3.09	2.31	3.10	2.50
February 2017	3.13	1.98	2.95	1.85
March 2017	2.45	1.80	2.40	1.85

NB-1. Data relating to BSE & NSE has been taken from their respective websites.

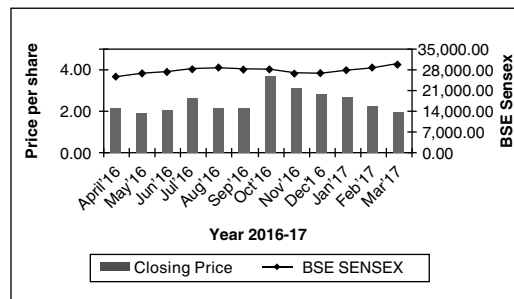
Warrants & NCDs - There is hardly any trading in listed warrants and NCDs of the Company and therefore, its month-wise market prices are not available.

j) Share Price Performance for

a) Equity Shares as compared to BSE Sensex during 2016-17:



b) “B” Equity Shares as compared to BSE Sensex during 2016-17:



NB – Data relating to BSE Sensex and Closing price of Company's Equity Shares & B Equity Shares has been collected from BSE Website.

k) Registrar and Share Transfer Agents:

M/s. Niche Technologies Private Limited,
 D-511, Bagri Market, 71, B. R. B. Basu Road,
 Kolkata-700 001
 Phones: +91-33-22357270/7271
 Fax: +91-33-22156823
 E-Mail: nichetechpl@nichetechpl.com

l) Designated Exclusive email id : The Company has designated the following email id exclusively for investor servicing : investor@gujaratnre.com

m) Share Transfer System:

All matters pertaining to share transfers are being handled by M/s. Niche Technologies Pvt Ltd., the Registrars & Share Transfer Agents (RTA) of the Company. The share transfer requests received by them are processed and a memorandum of transfer is sent to the Company for approval by the Stakeholders Relationship Committee. The company regularly monitors and supervises the functioning of the system so as to ensure that there are no delays and lapses in the system. Shares held in dematerialised form are traded electronically in the Depository. The RTA of the Company periodically receives from the Depository, the beneficial holding so as to enable them to update their records and to send all notices, corporate communications and Dividend Payments etc. to the beneficial owners of shares.

The average time taken for process of share transfer requests including dispatch of share certificates etc. is within 15 days. Physical shares received for dematerialisation are processed and computerised within a period of seven to ten days from the date of receipt, provided they are found in order in every respect. Bad deliveries are immediately returned to the respective Depository Participant under advice to the Shareholders.

n) Shareholding Pattern as on 31st March 2017 are given in the following Table:

Equity Shares -		
Category	No. of Shares	% of Holding
Promoters & Promoter Group	406914064	25.36
Financial Institutions, Banks, Mutual Funds, etc.	553352559	34.49
FII's (including Foreign Bodies Corporates)	40577994	2.53
Indian Public (including Private Corporate Bodies)	565511654	35.25
NRIs/OCBs	17148504	1.07
Clearing Members & others	21043870	1.30
Total	1604548645	100.00

“B” Equity Shares (DVR Shares) -

Category	No. of Shares	% of Holding
Promoters & Promoter Group	17501468	33.34
Financial Institutions, Banks, Mutual Funds, etc.	2590411	4.93
FII's (including Foreign Bodies Corporates)	1519016	2.90
Indian Public (including Private Corporate Bodies)	29514796	56.23
NRIs/OCBs	345488	0.66
Clearing Members & others	1016831	1.94
Total	52488010	100.00

Report on Corporate Governance (contd.)

o) Distribution of Shareholding as on 31st March 2017 are given in the following Table :

Equity Shares -

Shareholding Range	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1 - 500	114030	62.10	20633547	1.29
501 - 1000	25432	13.85	21045667	1.31
1001 - 5000	31562	17.19	77317655	4.82
5001 - 10000	6377	3.47	48219161	3.00
10001 - 50000	5172	2.82	109370421	6.82
50001 - 100000	573	0.31	41475355	2.58
100001 - and above	485	0.26	1286486839	80.18
Total	183631	100.00	1604548645	100.00

"B" Equity Shares (DVR Shares) -

Shareholding Range	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1 - 500	101419	95.58	4080104	7.77
501 - 1000	1911	1.80	1478453	2.82
1001 - 5000	2037	1.92	4747670	9.05
5001 - 10000	372	0.35	2819652	5.37
10001 - 50000	301	0.28	6281768	11.97
50001 - 100000	36	0.03	2524925	4.81
100001 - and above	38	0.04	30555438	58.21
Total	106114	100.00	52488010	100.00

p) Dematerialization of Shares and Liquidity:

Approximately 99.81% of the Company's Equity Shares and approximately 99.41% of Company's "B" Equity Shares have been dematerialized as on March 31, 2017 respectively. The Equity Shares and the "B" Equity Shares of Company are both actively traded in Stock Exchanges and are permitted to be traded only in dematerialized form.

q) Outstanding FCCBs / Warrants / ESOS or any other Convertible instruments, Conversion date and likely impact on equity:

The outstanding convertible bonds and ESOS as on 31st March, 2017 are as under:

- 200 Nos. of 5.5% Unsecured FCCB due 2017 with an issue value of USD 1,00,000 each. If all the bonds are converted into equity share at its conversion price, then the Share Capital of the Company will increase by around 8,95,58,333 Equity Shares of Rs.10 each.

- The status on outstanding options under Employee Stock Option Schemes has already been provided in an Annexure to the Directors Report.

r) Plant Location:

Coke Plant(s)

- Vill. : Dharampur, P.O. Khambhalia
Dist.: Devbhoomi Dwarka, Gujarat, Pin: 361305
- Vill. : Lunva, Taluka-Bhachau
Dist: Kutch, Gujarat, Pin. : 370140
- Road No. 16, 1st Cross, KIADB,
Belur Industrial Area, Dharwad,
Karnataka, Pin. : 580011

Steel Plant(s)

Vill. : Lunva, Taluka-Bhachau
Dist: Kutch, Gujarat, Pin. : 370140

s) Address of Subsidiaries

Manor Dealcom Private Ltd

22, Camac Street, Block C, 5th Floor, Kolkata – 700 016

Huntervalley Coal Private Ltd

22, Camac Street, Block C, 5th Floor, Kolkata – 700 016

t) Address for Correspondence:

22, Camac Street, Block - C, 5th Floor, Kolkata-700 016,
Phone: +91-33-22891471
Fax: +91-33-22891470
E-mail: kolkata@gujaratnre.com

u) Queries:

Any Query on Financial Statements, Company's performance etc. may be sent to investor@gujaratnre.com or addressed to the Company.

11. Auditor's Certificate on Corporate Governance

As per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on Corporate Governance is annexed to this Report.

For and on behalf of the Board

Place : Kolkata
Dated : 30th May, 2017

Arun Kumar Jagatramka
Chairman & Managing Director

Auditors' Certificate on Corporate Governance

To the Members of

Gujarat NRE Coke Limited

We have examined the compliance of conditions of Corporate Governance by Gujarat NRE Coke Limited for the year ended on 31st March 2017, as stipulated in the various regulations and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliances of the conditions of the Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation made by the Directors and the management, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

Kolkata
30th May, 2017

R. P. NANDY
Partner
Membership No. 051027

Management Discussion & Analysis

World Economy

It is rightly said that "Development is about transforming the lives of people, not just transforming economies". It was with this goal, that the idea of a globalised world economy transcending all borders was being propagated and advocated. The winds of globalisation which had gathered speed with Perestroika and Glasnosts, reached its peak with the fall of Berlin Wall in 1989. No one would have then thought that about 3 decades down the line, USA and UK would call for protectionism and China would turn out to be the biggest advocate of globalisation. Before Financial Crisis had rocked the world economy in 2008, multinational companies and business leaders used to talk of a "flat" world. Today, the global MNCs are not getting the cost advantage in manufacturing offshore for a variety of reasons and there is a general trend of domestic production gaining ground. It is also true that, though many champions of globalisation are talking of "localisation", it is not yet the time to write an epitaph on globalisation. Globalisation for sure is receding but is still fuelling growth in emerging markets. What we are seeing today is an ecosystem where trade is trying to balance the socio-political nuances of each nation, resulting into public discourse being sceptical on the effects of globalisation. This has been further accentuated by Brexit and talks of protectionism by Trump administration in the USA.

The global economy is on the cusp of a recovery from around a decade long recession which had started in 2008 with the global financial crisis. Nine years later, 2017 would mark the recovery in global growth. According to World Bank, "Global growth is firming, contributing to an improvement in confidence," as it predicts global economy to grow by 2.7% for 2017 and rising to 2.9% in 2018. Economic recovery seems to be complete in the Eurozone, and the US economy has also registered a positive real GDP growth. The fear of hard landing of the Chinese economy has tapered down, while its opaque debt position and over capacity remain a concern for the future. Improved global trade and better performance of emerging markets are expected to sustain the recovery. The risks of "increased protectionism, persistent policy uncertainty, geopolitical risks or renewed financial market turbulence could derail an incipient recovery."

Indian Economy

India continues to be one of the fastest growing economies in the world. The growth is powered by domestic demand and a strong consumer sentiment. India's consumer confidence index stood at 136 in the fourth quarter of 2016, leading the list of nations in world on the same parameter. India has the potential to beat China and become the fastest growing nation in world in continuation for the next couple of years. The year 2016 started in a robust note for India, with the economy looking to perform after a long-drawn recession. However, demonetisation of high denomination bank notes of Rs 1000 and Rs 500 announced by the government on 8th November 2016, to eliminate black money and the growing menace of fake Indian currency notes had put a spanner in the growth trajectory. The initiative of demonetisation was a noble attempt to tackle the menace of black money and to curb corruption. However, the economy had to suffer collateral damage in this bigger fight of Nation building as for the full year ended March 31, economic growth slowed to 7.1% from 8% a year earlier, and slipped sharply to 6.1% in the January-March quarter, which was the slowest in 13 quarters. This at a time when the economy was about to perform better, had affected many small and medium enterprises in the country. However, the effect of demonetisation started waning from first quarter of 2017-18 with the economy once again bouncing back.

Various reforms measures initiated by the government is fuelling this growth. In the power sector, we are witnessing a slow revolution where electricity is being made available through last mile connectivity to every house. The implementation of GST unifying the tax structure of the Nation is probably the biggest tax reform that has happened post-independence. GST would have a positive effect on the country's GDP and would increase tax compliance. The government has also taken a bold step by enacting the Insolvency and Bankruptcy Code 2016 which would go a long way in tackling NPA issues troubling the Indian banking system through swift resolution of insolvency cases in Indian industry faced with huge debt accumulated due to various external market conditions mostly beyond its control.

Global Steel Industry

Global steel industry experienced a strong demand recovery in 2016, led primarily by China. The Chinese government had arrested the early signs of slowdown through a slew of stimulators like investment in infrastructure and housing which had resulted in increased activity in the Chinese steel industry. According to World Steel Association (WSA), Chinese demand grew by 1.3% in 2016, which resulted in the world steel industry to grow by 1% in 2016. WSA expects that the steel demand would remain almost flat in China for a greater part of 2017, while the developed as well as developing and emerging economies would grow. WSA hence forecasts that global steel demand will increase by 1.3% to 1,535.2 Mt in 2017, and by 0.9% in 2018.

Global steel in 2016 had faced a major challenge of dumping by China. China accounts to about 45% of world steel production. China has been suffering from steel overcapacity for last few years, which it has been dumping across the globe at very low prices. This had created havoc in various steel markets including India. Dumping by China has been one of the challenges before the steel industry. The year 2016 also witnessed a spate of anti-dumping measures by various countries including India to knock off the Chinese steel exports from its heights in 2015. India had imposed Safeguard duty, Minimum Import Price (MIP) and Anti-Dumping duty on various steel products to save the domestic industry from bleeding. This had resulted in revival in steel production in India in 2016. On the other hand, steel prices had climbed in 2016 due to increased demand and capacity reduction by China.

The steel making raw materials industry has been highly volatile in 2016. Iron ore prices had doubled to around \$ 80 in early December 2016. Chinese infrastructure investment and rise in steel production resulted in demand of iron ore from China which led to the price rally. Similar fluctuations were noticed in coking coal which rose to \$305 in November 2016 from the lows of \$76 in January 2016, primarily driven by sudden Chinese demand. Coking coal has however today cooled to around \$140 per tonne.

It used to be said that the level of economic activity of a country can be measured by the consumption of steel. However, today steel is facing a stiff competition from aluminium in the automobile sector as the automobile industry is exploring options of switching to a lighter product like aluminium which would reduce weight and reduce fuel consumption in line with the latest regulations.

The global steel industry is trying to innovate to meet the growing demands of the market, consumer preferences and changing technology to continue to survive as the backbone of global manufacturing.

Domestic Merchant Metallurgical Coke Industry

The domestic merchant metallurgical coke industry was suffering from the twin problems of low demand from steel plants on one hand and excessive dumping by China on the other hand. The year 2016 continued with the same trend resulting in the domestic merchant met coke industry operating at around 25% capacity utilisation. The excessive dumping of met coke by China at a price equal to the cost of coking coal had caused considerable damage to financial health of the domestic met coke producers, who were forced to sell at prices less than the cost of production. As a result, many met coke producers had stopped production, while the bigger units were producing just to stay alive. Faced with low realisation and high debt, the domestic met coke industry was battling for existence in the year 2016. The total import of met coke to India in the year 2016-17 was around 4 MTPA, while the production by domestic merchant met coke producers was at around 2.5 MTPA. The year 2016 marked the low in merchant met coke industry when in November the price of coking coal skyrocketed to USD 305 causing severe bleeding to the industry already reeling with pain of demonetisation.

However, 2016 also saw the turnaround being scripted by putting the worst behind. The various safeguard measures like MIP, Safeguard Duty, Anti-Dumping Duty, granted to steel industry saw the domestic steel production rise, which resulted in an increase in demand for the met coke industry. Demand started picking up from the mid of 2016-17. Imposition of Anti-Dumping Duty of USD 25.20 on met coke imported from China came as a major relief for the domestic merchant met coke industry. The Anti-Dumping Duty provides a protection against dumping from China for 5 years. The domestic merchant met coke industry had hard fought to have ultimately sealed the relief through imposition of Anti-Dumping Duty. Thus 2016 was a landmark year for the domestic met coke industry. It presented the extreme lows followed by the reliefs that can help to script a turnaround.

Company's Performance

The income from operations was at Rs. 541.21 crores in the year under review as compared to Rs. 747.44 crores during the previous year. The decrease is primarily due to very low sales from November to January due to demonetisation. However, in spite of lower turnover, the net loss during the year under review was reported at Rs. 675.81 crores as compared to net loss of Rs. 819.34 crores during the previous year, primarily due to higher realisation of the coke sold. Accordingly, both the Basic & Diluted earnings per share of the Company (after extraordinary items) were reported at (4.44) respectively, for the year under review as compared to Rs. (7.13) respectively, during the previous year.

Outlook

As you are aware, the company has been carrying huge debts. Total banking dues as on March 2017 has been around Rs.3600 crores. The accounts of the company were downgraded as NPA by all bankers concerned due to non-payment of interest and repayment instalments by the company for over a year. Also, continuing with various litigations and proceedings in different Courts was hampering the normal functioning of the Company due to the underlying uncertainty and was not beneficial from a broader perspective. The Company views upholding the interest of its shareholders and stakeholders as its foremost obligation. There are about 1500 employees directly employed by the Company across its plants and offices as on December 2016, while indirect employment is 4 to 5 times that number through its vendors, dealers and suppliers. Hence, to continue with its ongoing operations, so that the going concern value of the Company is not jeopardised, and that it benefits when the market is ready to soar once again, the Company had filed an application for initiation of Corporate Insolvency Resolution Process (CIRP) for quick resolution of cases like the one faced by the company. The necessary application under Section 10 of the Insolvency and Bankruptcy Code, 2016 was filed by the company as a corporate debtor and the same was admitted by the NCLT, Kolkata Bench on 07.04.2017. Pursuant to the same, Committee of Creditors (CoC) of Gujarat NRE Coke Limited in its 1st meeting held on 5th May, 2017, had decided to continue the appointment of Mr. Sumit Binani as a Resolution Professional with respect to the Corporate Insolvency Resolution Process of the company. The company has appointed PwC as the consultant to prepare the resolution plan. The decision to appoint PwC was ratified by the CoC.

This action of the company is a sincere effort to chalk out a durable and successful revival plan in consultation with its bankers. The company is working with PwC to come out with a resolution plan in discussion with its financiers. This is a resolute effort by the company to come out of the crisis. The company is hopeful that post the exercise, it would be a much fit and nimble entity, capable of running its operations efficiently and meeting all its dues and obligations. The Company is positive that its efforts for revival will bear profitable fruits and would be able to return to its past glory.

Opportunities and Threats

The government at the centre has approved the National Steel Policy 2017. The notable points in the recently announced National Steel Policy 2017 is a roadmap to ensure that the steel sector follows a sustainable path of development in respect of augmenting capacity to 300 million tonnes by 2030-31. To make this target achievable, the government would give domestic steel a priority in all government infrastructure projects. As expenditure in infrastructure has been receiving substantial push from government to revive growth, such measures are bound to increase demand of

Management Discussion & Analysis (contd.)

domestic steel. The increased demand for steel would result in an increase in demand for met coke.

The coking coal prices have stabilised to a more sustainable range of around USD 140-150 per tonne. The price of met coke has been strong at around USD 330 and is expected to rise further in next six months. The domestic met coke industry expects positive margins after a long-time due to this price benefit. The domestic merchant met coke industry has today successfully overcome the twin challenges of crisis of low demand from steel industry and dumping from China and hence looks forward to brighter days ahead.

The threats lie in any sudden major policy shift or geopolitical tension arising from the recent unpredictable global leadership. The continuing conflict in Syria and Iraq, the recent crisis in Middle East concerning Qatar, the hot and cold relationship between Russia and the West, flashpoint at South China Sea, as well as any disruption of peace with India's immediate neighbours are certain perceived threats. Also, any major policy change by the USA or any change in demand pattern in China can disrupt the market. However, the real opportunities weigh much more than the perceived threats, and hence the industry is confident of a faster recovery to better days.

Risks & Concerns

The broad business risks can be classified as below. Any of these risks has the potential to influence the actual future operating results to vary from the current results or from anticipated future results.

- a) **Commodity Price Risk:** The Company is exposed to the risk of price fluctuations on raw materials and finished goods. However, considering the normal correlation in the prices of raw material i.e. coking coal and finished good i.e. met coke, this risk gets reduced/adjusted over a period of time.
- b) **Production Risk:** Coking coal, the critical raw material required for manufacture of met coke is in short supply internationally resulting in uncertainty in its availability and consequently, its prices. Timely availability of raw material at reasonable prices is therefore, critical for survival in this industry.
- c) **Forex Risk:** The company like any other company operating in global markets is subject to Forex Risk. The Company however, has a policy to hedge its foreign exchange risk within the defined parameters. As imports (raw materials etc.) exceed exports or vice versa, the Company suitably hedges the differential from time to time to appropriately manage the currency risk. However, such hedging does not assure avoidance of any losses due to sudden and/or substantial volatility in currency markets.

d) **Risk from Natural Calamities:** Any act of nature detrimental to the smooth functioning of production of metallurgical coke in India, can adversely affect the performance of the Company.

e) **Political Risk:** Any risk arising due to any major change in policy decisions on account of change in Government, Legislative bodies etc. such as levy of any additional duty etc. on the product produced by the company may affect the results of the company.

Internal Control Systems and Its Adequacy

The Company's internal control systems are commensurate with the nature, size and complexities of its business to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial statements.

The Company has an internal audit system which is conducted by an independent firm of Chartered Accountants as well as a strong in house internal audit cell so as to cover various operations on regular basis through the year. Summarised Internal Audit Observations/ Reports are reviewed by the Audit Committee on a regular basis. The finance and accounts functions of the Company are well staffed with qualified and experienced members.

Human Resources

The company considers its people as its most important resource. All employees of Gujarat NRE are considered leaders and encouraged to take responsibility to do their best that they can while meeting business needs. The company's strength lies in its human pool of resources and its success is largely dependent on them. The Company therefore, focuses on developing its talent pool and its employee capability through increased emphasis on skill upgradation, job rotation, multi skilling and inter plant sharing of experiences. Critical skills identification and ramp up planning continues at the operating level. The Company continuously reviews its policies/practices with a view to make them more contemporary and uniform in application and this is an ongoing process.

Cautionary Statement

The statement in this Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statement' within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectations of future events, actual results could differ materially from those expressed or implied. The Company assumes no responsibility whatsoever, in this regard.

CEO AND CFO COMPLIANCE CERTIFICATE

We, Arun Kumar Jagatramka, Chairman & Managing Director and Nitin Daga, Chief Financial Officer of Gujarat NRE Coke Limited, responsible for the finance function, certify to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, that:

- a) We have reviewed the financial statements and cash flow statement of the Company for the year ended 31st March, 2017 and to the best of our knowledge and belief:
 - i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for

financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata

Date : 30th May, 2017

Arun Kumar Jagatramka

Chairman & Managing Director

Nitin Daga

Chief Financial Officer

Annual Declaration under Regulation 34(3) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

DECLARATION

As required under Regulation 34(3) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all Board members and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company during the year ended 31st March, 2017.

Place : Kolkata

Date : 30th May, 2017

Arun Kumar Jagatramka
Chairman & Managing Director

Independent Auditors' Report

To the Members of
Gujarat NRE Coke Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Gujarat NRE Coke Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Basis of Qualified Opinion

The company has incurred a net loss during the year ended March 31, 2017 and the current liabilities of the company as on 31.03.2017 are more than its current assets.

The company has filed petition before the National Company Law Tribunal (NCLT), Kolkata Bench u/s 10(1) of the Insolvency and Bankruptcy Code, 2016 to initiate corporate insolvency resolution process, on the basis of resolution passed by the Board of Directors on 21.03.2017 to this effect. The application for initiation of corporate insolvency resolution process has been admitted along with the proposal, appointing an Interim Resolution Professional (IRP) by the NCLT, Kolkata vide order dated 07.04.2017. Further Mr. Sumit Binani was confirmed as the Resolution Professional by the Committee of Creditors (CoC) at their meeting held on 5th May' 2017.

This indicates the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern in the absence of any financial support from the Promoters and Bankers. However, the financial statements of the company have been prepared on a going concern basis.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by N.C.Banerjee & Co. (Previous Auditor) and their report for the year ended 31st March 2016 and 31st March 2015 dated 29th May 2016 and 25th May 2015 respectively, expressed an unmodified opinion on those standalone financial statements and have been restated to comply with Ind AS. Adjustments made to the previously issued said statutory financial information for the differences in the accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure-A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 35 to the standalone Ind AS financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39 to the standalone Ind AS financial statements;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv. the Company has provided requisite disclosures in the Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 44 to the standalone Ind AS financial statements.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

Kolkata
30th May, 2017

R. P. NANDY
Partner
Membership No. 051027

Annexure A to Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Gujarat NRE Coke Ltd. on the standalone Ind AS financial statements for the year ended 31 March 2017.]

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| <p>(i) (a) The Company has maintained proper records showing full, including quantitative details and situation of fixed assets</p> <p>(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner during the year. No material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.</p> <p>(ii) During the year inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. We were explained that the discrepancies noticed during the physical verification of inventories were not material and have been properly dealt with in the books of accounts.</p> <p>(iii) The Company has not granted loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.</p> <p>(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.</p> | <p>(v) The Company has not accepted any deposits from the public hence this clause is not applicable.</p> <p>(vi) We have broadly reviewed the cost records maintained by the company as prescribed by the central government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not carried out a detailed examination of such records, nor are we required to do so, with a view to determine whether they are accurate or complete.</p> <p>(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, duty of excise, value added tax, duty of customs, service tax, cess and other material statutory dues.</p> <p>According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable during the year except:</p> <p>a. Income Tax Rs. 4.12 crores</p> <p>b. VAT Rs 6.84 Crores</p> |
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- (b) According to the information and explanations given to us, there were no dues of income tax, sales tax, value added tax, duty of customs, service tax, cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:

(Rs. Crores)

Name of the statute	Nature of dues	Amount (in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Regular Assessment	149	A.Y.- 2010-11, 2012-13, 2013-14,	CIT (Appeals)/ITAT
Finance Act, 1994 (Act 32 of 1994)	Service Tax	1.19	2010-11	CESTAT
		1.42	2011-12	CESTAT
		0.01	2012-13	CESTAT
		0.52	2013-14	CESTAT
		0.04	2013-14	Commissioner (Appeals)
		0.81	2014-15	CESTAT
		0.02	2014-15	Commissioner (Appeals)
		3.48	2015-16	Commissioner
The Customs Act, 1962	Custom Duty	12.64	2008-09, 2009-10, 2010-11, 2014-15	CESTAT
The Central Excise Act, 1944	Excise Duty	0.27	2010-11	Additional. Comm.
		0.44	2011-12	Joint Commissioner
		0.83	2012-13	CESTAT
		0.01	2012-13	Superintendent CE
		3.46	2013-14	CESTAT
		3.47	2015-16	Commissioner

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

(Rs. In Crores)

Particulars	Delays upto 30 days	31-90 days	91-180 days	Beyond 180 days	Total Amount
Letter of Credit/Bill Discounting/ Installments/Overdrawing's	1.85	34.92	64.91	420.92	522.60
Interest	30.03	80.44	75.36	248.83	434.66

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with

Section 42 of the Companies Act, 2013 in making preferential allotment and private placement of shares during the year and the amounts raised have been used for the purposes for which the funds were raised.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

R. P. NANDY
Partner

Kolkata
30th May, 2017

Membership No. 051027

Independent Auditors' Report (contd.)

Annexure B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Gujarat NRE Coke Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

Kolkata
30th May, 2017

R. P. NANDY
Partner
Membership No. 051027

Balance Sheet As at 31st March, 2017

		(Rs. in Crores)		
	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	4	914.63	973.66	1,036.34
Capital Work-in-Progress	4	233.38	211.78	204.56
Financial Assets				
Investment	5	1,431.05	1,429.80	1,099.14
Other Financial Assets	9	79.79	79.90	74.38
Deferred Tax Assets (net)	10	522.56	522.56	173.31
Other Non-Current Assets	11	1.32	1.71	2.27
		3,182.73	3,219.41	2,590.00
Current Assets				
Inventories	12	220.45	333.76	1,186.40
Financial Assets				
Investment	13	-	-	4.61
Trade Receivables	14	43.38	93.71	359.90
Cash & Cash Equivalents	15	10.86	9.75	6.94
Other Financial Assets	16	691.28	716.91	844.79
		965.97	1,154.13	2,402.64
	TOTAL ASSETS	4,148.70	4,373.54	4,992.64
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	17	1,657.04	1,607.57	1,046.52
Other Equity	17	(1,214.80)	(546.86)	252.65
Money received against Share Warrants		-	30.00	33.98
		442.24	1,090.71	1,333.15
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	18	1,551.15	1,728.78	2,087.76
Provisions	19	15.20	14.96	8.15
		1,566.35	1,743.74	2,095.91
Current Liabilities				
Financial Liabilities				
Borrowings	20	1,118.58	954.02	736.82
Trade Payables	21	168.77	162.69	427.54
Other Financial Liabilities	22	849.98	419.74	387.38
Provisions	23	2.78	2.64	11.84
		2,140.11	1,539.09	1,563.58
	Total Equity and Liabilities	4,148.70	4,373.54	4,992.64

Significant Accounting Policies & Notes on Financial Statements forming part of the financial statements 1 to 46

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Statement of Profit & Loss For the year ended 31st March, 2017

(Rs. in Crores)

	<u>Notes</u>	<u>For the year ended 31.03.2017</u>	<u>For the year ended 31.03.2016</u>
INCOME			
Revenue from Operations	24	541.21	747.44
Other Income	25	5.18	88.72
Total Income:		546.39	836.16
EXPENDITURE			
Cost of Materials Consumed	26	456.75	247.84
Purchase of Stock-in-Trade		-	524.91
Changes in Inventories of Finished Goods, Stock-in-Process and Stock in Trade	27	132.92	732.61
Excise Duty	24	39.04	15.97
Employees Benefits Expenses	28	33.53	33.53
Finance Costs	29	393.89	293.54
Depreciation	4	59.81	64.90
Other Expenses	30	106.28	98.52
Total Expenses:		1,222.22	2,011.82
Profit/(Loss) before Exceptional & Extraordinary Items & Tax		(675.83)	(1,175.66)
Exceptional Items		-	-
Profit/(Loss) before Extraordinary Items & Tax		(675.83)	(1,175.66)
Extraordinary Items		-	33.19
Profit/(Loss) Before Tax		(675.83)	(1,208.85)
Tax Expenses	10		
Current Tax		-	-
Deferred Tax		-	(391.82)
Tax for Earlier Years		-	2.31
Profit for the year		(675.83)	(819.34)
Other Comprehensive Income/(Loss) (Net of Tax)			
Items that will not be reclassified to profit or loss			
- Actuarial Gain/(Loss)		(0.15)	(0.26)
- Equity instruments through other Comprehensive Income		1.25	0.66
Income Tax relating to Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Other Comprehensive Income/(Loss)		1.10	0.40
Total Comprehensive Income/(Loss)		(674.73)	(818.94)
Basic Earnings per Equity & "B" Equity Share (in Rs.) [Face Value Rs. 10 per share]		(4.09)	(7.05)
Diluted Earnings per Equity & "B" Equity Share [Face Value Rs. 10 per share]		(4.09)	(7.05)

Significant Accounting Policies & Notes on Financial Statements forming part of the Financial Statements 1 to 46

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI.**
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Cash Flow Statement for the year ended 31st March, 2017

	(Rs. in crores)	
	For the Year ended 31-Mar-2017	For the Year ended 31-Mar-2016
A Cash Flow from Operative Activities		
Net Profit/(Loss) before Tax	(675.83)	(1,208.85)
Adjustments for:		
Depreciation / Other non cash items	59.82	78.58
Finance Charges	393.89	293.54
Other Income	-	(87.14)
Loss/(Profit) on Sale / Discard of Property, Plant & Equipment	0.04	1.20
Loss/(Profit) on Sale / Valuation of Investment	-	(0.10)
Employee Stock Option - Compensation	0.24	(0.74)
Interest Received / Receivable	(0.64)	(1.40)
Operating Profit before Working Capital Changes	(222.48)	(924.91)
Adjustments for:		
Trade & Other Receivables	74.94	465.93
Inventories	113.31	852.64
Trade Payables	(79.70)	(336.65)
Cash Generated/(Used) from Operations	(113.93)	57.01
Direct Taxes Paid / Refunds	(0.15)	(2.52)
 CASH GENERATED/(USED) FROM OPERATING ACTIVITIES	 (114.08)	 54.49
 B Cash Flow from Investing Activities		
Addition to Property, Plant & Equipment	(21.94)	(17.53)
Sale of Property, Plant & Equipment	0.04	1.53
Addition to Investments	-	-
Sale of Investments	-	4.71
Interest Received	0.64	1.40
Dividend / Misc Income	-	-
 NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	 (21.26)	 (9.89)
 C Cash Flow from Financing Activities		
Net Proceeds to Share Capital / Reserves	-	292.51
Deposit against Share Warrant	-	6.42
Advance against Share Warrant/ Share Application Money	-	26.99
Increase/(Decrease) in Long / Short Term Borrowing	205.58	(128.16)
Finance Charges Paid	(68.77)	(239.08)
Dividend & Dividend Tax Paid	(0.36)	(0.46)
 NET CASH GENERATED/(USED) FROM FINANCING ACTIVITIES	 136.45	 (41.78)
 NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	 1.11	 2.82
 CASH & CASH EQUIVALENTS (OPENING BALANCE)	 9.75	 6.66
CASH & CASH EQUIVALENTS (OPENING BALANCE) Acquired on Amalgamation	-	0.27
CASH & CASH EQUIVALENTS (CLOSING BALANCE)*	10.86	9.75

* Includes Dividend accounts of Rs. 0.79 crores(Previous Year 1.15 Crores)

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI.**
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2017

A EQUITY SHARE CAPITAL

(Rs. in Crores)

	EQUITY SHARE		"B" EQUITY SHARE		TOTAL SHARE CAPITAL	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at 1st April, 2015	689,985,035	689.99	52,488,010	52.49	742,473,045	742.48
Add: Shares allotted under scheme of amalgamation	30,40,42,725	304.04	-	-	30,40,42,725	304.04
	99,40,27,760	994.03	5,24,88,010	52.49	1,04,65,15,770	1,046.52
<i>Changes in Equity Share Capital</i>						
Preferential Shares issue to ICICI Bank	33,185,000	33.19	-	-	33,185,000	33.19
Shares issued on Conversion of Share Warrant	60,000,000	60.00	-	-	60,000,000	60.00
Preferential Shares issue under CDR to CDR Lenders	467,869,140	467.87	-	-	467,869,140	467.87
As at 31st March, 2016	1,555,081,900	1,555.09	52,488,010	52.49	1,607,569,910	1,607.58
<i>Changes in Equity Share Capital</i>						
Preferential Shares issue to ICICI Bank	24,466,745	24.47	-	-	24,466,745	24.47
Shares issued on Conversion of Share Warrant	25,000,000	25.00	-	-	25,000,000	25.00
As at 31st March, 2017	1,604,548,645	1,604.56	52,488,010	52.49	1,657,036,655	1,657.05

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption Reserves	Employees Stock Option Outstanding	Surplus from Statement of Profit & Loss	Total
Balance as at 1st April, 2015	251.25	144.87	511.80	196.57	5.37	(857.21)	252.65
Profit/(Loss) of Amalgamating Company	-	-	-	-	-	(6.60)	(6.60)
Profit/(Loss) for the year	-	-	-	-	-	(819.34)	(819.34)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	0.40	0.40
	-	-	-	-	-	(1,682.75)	(572.89)
Transfer on forfeiture of Share Warrant	-	10.40	-	-	-	-	10.40
Securities premium Received During the Year	-	-	52.51	-	-	-	52.51
Capital Reserve arising on Amalgamation	-	25.12	-	-	-	-	25.12
Deferred Tax arising on Business Combination	-	(29.71)	-	-	-	-	(29.71)
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	(0.88)	-	(0.88)
Adjustment for Option Forfeited during the year	-	-	-	-	(0.71)	-	(0.71)
Adjustment for Business Combination	-	-	-	-	-	1.20	1.20
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	-	0.46	0.46
Measuring borrowings at amortised cost	-	-	-	-	-	70.47	70.47
Measuring Investment at fair value	-	-	-	-	-	(12.47)	(12.47)
Adjustment for Deferred Tax	-	-	-	-	-	(90.36)	(90.36)
Balance as at 31st March, 2016	251.25	150.68	564.31	196.57	3.78	(1,713.45)	(546.86)
Balance as at 1st April, 2016	251.25	150.68	564.31	196.57	3.78	(1,713.45)	(546.86)
Profit/(Loss) for the year	-	-	-	-	-	(675.83)	(675.83)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	1.10	1.10
	-	-	-	-	-	(2,388.18)	(1,221.59)
Securities premium Received During the Year	-	-	7.52	-	-	-	7.52
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	0.12	-	0.12
Adjustment for Option Forfeited during the year	-	-	-	-	(0.85)	-	(0.85)
Balance as at 31st March, 2017	251.25	150.68	571.83	196.57	3.05	(2,388.18)	(1,214.80)

Significant Accounting Policies & Notes on Financial Statements forming part of the Financial Statements 1 to 46

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

1. Company Information

Gujarat NRE Coke Limited (the Company) is a Public Limited Company domiciled in India with its registered office located at 22, Camac Street, Block-C, 5 Floor, Kolkata- 700 016. The Shares of the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Non-convertible Debentures of the company (including Debentures issued under QIP) are listed at BSE. The Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Limited (SGX).

2. Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

a) Basis of Preparation

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

These financial statements for the year ended 31st March, 2017 are the first financials with comparatives, prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2016 and the opening Balance Sheet as at 1st April, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note No3.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

The financial statements of the Company for the year ended 31st March, 2017 were approved for issue in accordance with the resolution of the Board of Directors on 30 May, 2017.

b) Basis of measurement

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

2.2 Key Accounting Estimates and Judgements

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

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

2.3 Significant Accounting Policies

a) Property, Plant and Equipment's

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

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

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

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

b) Leases

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

c) Investments in subsidiaries, associates and joint ventures

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

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

Notes to Financial Statements for the year ended 31st March, 2017 *(contd.)*

The deemed cost of such an investment shall be its:

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

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

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

d) Investments

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

e) Inventories

Inventories are valued as under:

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

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

f) Business Combination

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest's method. Other business combinations, involving entities or businesses are accounted for using acquisition method.

The Company has elected not to apply IndAS 103 'Business Combinations' retrospectively to past business combinations that occurred before the transition date of April 1, 2015.

g) Financial instruments

1) Initial recognition

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

Subsequent measurement:

a) Non-derivative financial instruments

i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial assets at fair value through profit or loss

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

iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Investment in subsidiaries

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

b) Derivative financial instruments

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

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

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

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

ii) Derecognition of financial instruments

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

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

h) Impairment of Assets

i) Financial assets

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

ii) Non-financial assets

Property, plant and equipment

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

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

i) Provisions, Contingent Liabilities and Contingent Assets

The Company makes a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are disclosed when an inflow of economic benefit is probable and/or certain.

j) Revenue Recognition

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

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

Under IndAS 18, Excise duty will not be netted from revenue and shown as a part of expenses. Revenue from product sales is recognized exclusive of Excise Duty, Sales Tax/Value added Tax (VAT) and net of returns, Sales Discount etc. Sales Returns are accounted for when goods are returned.

k) Foreign Exchange Transactions

a. Initial Recognition

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

b. Conversion Foreign

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

c. Exchange differences

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

l) Borrowing Costs

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

m) Income Taxes

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

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Notes to Financial Statements for the year ended 31st March, 2017 *(contd.)*

n) **Earnings per equity share**

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

o) **Employee benefits**

a) *Short Term & Post-Employment Benefits*

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

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

b) *Employee Stock Option Scheme (ESOS)*

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

p) **Cash Flow Statements**

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

2.4 First-time adoption of IndAS

These Financial Statements of Gujarat NRE COKE Limited for the year ended March 31, 2017 and ended March 31, 2016 have been prepared in accordance with IndAS. For the purposes of transition to IndAS, the Company has followed the guidance prescribed in IndAS 101 - *First Time adoption of Indian Accounting Standard*, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to IndAS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the Financial Statements of for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to IndAS has affected the Company's Balance Sheet, Statement of Profit and Loss. Exemptions on first time adoption of IndAS availed in accordance with IndAS 101.

Exemptions availed on first time adoption of IndAS 101

IndAS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IndAS. The Company has accordingly applied the following exemptions:-

a) **Share-based payment**

The Company is allowed to apply IndAS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of IndAS 102 to all such options. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

The excess of stock compensation expense measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in 'Share Option Outstanding Account', with the corresponding impact taken to the retained earnings as on the transition date.

b) **Designation of previously recognized financial instruments**

Under IndAS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. IndAS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to IndAS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to IndAS.

c) **Deemed Cost**

Under IndAS 101, a first time adopter is allowed to continue with the carrying value for all of its property, plant and equipment measured as per previous GAAP and use that as deemed cost on the date of transition.

Accordingly, the company from the date of transition has adopted the deemed cost for Property, Plant and Equipment, i.e., carrying values of PPE as per the previous GAAP, is the cost and any accumulated depreciation and provision for impairment under previous GAAP.

d) **Employee Benefits**

IndAS 19 requires recognition of actuarial gains and losses for post-employment defined benefit plans and other long-term employment benefit plans in other comprehensive income immediately and is not reclassified to profit or loss in a subsequent period. However, a first time adopter may elect to recognize all cumulative actuarial gains and losses subsequent to the date of transition to IndAS in other comprehensive income.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

3 First Time Adoptions

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016
2. Reconciliation of Total comprehensive Income for the year ended March 31, 2016

Reconciliation of equity as previously reported under IGAAP to Ind AS

(Rs. in Crores)

DESCRIPTION	Notes	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		1,036.34	-	1,036.34	973.66	-	973.66
Capital Work-in-Progress		204.56	-	204.56	211.78	-	211.78
Financial Assets							
Investment		1,113.54	(14.40)	1,099.14	1,441.60	(11.80)	1,429.80
Other Financial Assets		74.39	-	74.39	79.90	-	79.90
Deferred Tax Assets (net)		249.61	(76.30)	173.31	634.82	(112.26)	522.56
Other Non-Current Assets		1.81	0.46	2.27	2.14	(0.43)	1.71
Current Assets							
Inventories		1,186.40	-	1,186.40	333.76	-	333.76
Financial Assets							
Investment		4.61	-	4.61	-	-	-
Trade Receivables		359.90	-	359.90	93.71	-	93.71
Cash & Cash equivalents		6.93	-	6.93	9.75	-	9.75
Other Financial Assets		844.79	-	844.79	716.91	-	716.91
TOTAL ASSETS		5,082.88	(90.24)	4,992.64	4,498.03	(124.49)	4,373.54
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		1,046.52	-	1,046.52	1,607.57	-	1,607.57
Other Equity		272.08	(19.43)	252.65	(472.19)	(74.67)	(546.86)
Money received against Share Warrants		33.98	-	33.98	30.00	-	30.00
LIABILITIES							
Non-Current Liabilities							
Financial Liabilities							
Borrowings		2,154.14	(66.38)	2,087.76	1,768.16	(39.38)	1,728.78
Provisions		8.15	-	8.15	14.96	-	14.96
Current Liabilities							
Financial Liabilities							
Borrowings		736.82	-	736.82	954.02	-	954.02
Trade Payables		427.54	-	427.54	162.69	-	162.69
Other Financial Liabilities		391.81	(4.43)	387.38	419.74	-	419.74
Provisions		11.84	-	11.84	13.08	(10.44)	2.64
EQUITY AND LIABILITIES		5,082.88	(90.24)	4,992.64	4,498.03	(124.49)	4,373.54

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A Business Combination

Under IndAS 103, Business Combination is in the nature of transaction under common control and the company has merged Bajrang Bali Met Coke Industries Ltd. and NRE Metcoke Ltd. effective from 01-04-2014 and has been accounted for at transition date i.e. 01.04.2015. In order to arrive at capital reserve under Ind AS, following adjustments have been considered:

- (i) Diminution in the value of investment as per report of Independent Valuation Report.
- (ii) No value adjustment made to other assets and liabilities
- (iii) The carrying value of assets/liabilities are as per Ind AS

B Investment

Under the Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, investments are measured at fair value and the mark-to-market gains/ losses are recognized either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI) based on the business model test. Effect of Ind AS adoption on total comprehensive income represents the mark-to-market gains/ losses on investment.

C Employee Stock Option Plan

Under previous GAAP, the cost of options granted under the GNCL Employee Stock Option Scheme [equity - settled] was recognised using the intrinsic value method. Under this method, no expenses were recognised in the Statement of Profit and Loss as the fair value of the shares on the date of grant equalled the exercise price. Under Ind AS, the cost of options granted under GNCL ESOS is recognised based on the fair value of the options as on the grant date. In terms of the exemptions, the fair value of unvested options as at the date of transition have been accounted for as part of reserves.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

D Deferred Tax

Under Ind AS, deferred taxes are recognised relating to Ind AS adjustments including deferred taxes measured using balance sheet approach. The effect of these are reflected in total equity and profit or loss.

E Other Equity

- Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.
- In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.
- Profit on transfer of business between entities under common control which were earlier recognized in statement of profit and loss under IGAAP are adjusted to reserves on transition to Ind AS

F Borrowings

Under IndAS 109, Long term borrowing shall be accounted at armortised Cost by discounting at Effective Interest Method

Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(Rs. in Crores)

Particulars	Year ended March 31 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS
Revenue from operations	731.47	15.97	747.44
Other income, net	73.31	15.41	88.72
Total Income	804.78	31.38	836.16
Expenses			
Cost of Materials Consumed	247.84	-	247.84
Purchase of stock in trade	524.91	-	524.91
Change in Inventories Of Finished Goods, Work in Process and Stock in Trade	732.61	-	732.61
Excise Duty	-	15.97	15.97
Employee benefit expenses	34.23	(0.70)	33.53
Finance Costs	270.70	22.84	293.54
Depreciation and amortization	64.90	-	64.90
Other expenses	84.85	13.67	98.52
Total expenses	1,960.04	51.78	2,011.82
Profit/(Loss) before Exceptional & Extraordinary Items & Tax	(1,155.28)	(20.40)	(1,175.66)
Exceptional items	-	-	-
Profit/(Loss) before Extraordinary Items & Tax	(1,155.28)	(20.40)	(1,175.66)
Extraordinary Items	33.19	-	33.19
Profit/(Loss) Before Tax	(1,188.47)	(20.40)	(1,208.85)
Tax expense:			
Current tax	-	-	-
Tax for Earlier Years	(385.20)	(6.62)	(391.82)
Deferred tax	2.31	-	2.31
Profit for the period	(805.58)	(13.78)	(819.34)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial Gain	-	0.26	0.26
Equity instruments through other comprehensive Income	-	(0.66)	(0.66)
<i>Items that will be reclassified subsequently to profit or loss</i>			
Total other comprehensive income, net of tax	-	(0.40)	(0.40)
Total comprehensive income, for the period	(805.58)	(13.38)	(818.94)

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

A Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

B Day1 Gain/Loss on reclassification of Financial Liabilities

The Financial Liability i.e, Viability Gap Funding (VGF) is accounted at armortised cost under IndAS 109 and the diference between the IGAAP and IndAS is accounted as Day 1 Gain/Loss and and is charged to statement of Profit or Loss account.

C Employee Stock Option Outstanding

Under previous GAAP, the cost of options granted under the GNCL Employee Stock Option Scheme [equity - settled] was recognised using the intrinsic value method. Under this method, no expenses were recognised in the Statement of Profit and Loss as the fair value of the shares on the date of grant equalled the exercise price. Under Ind AS, the cost of options granted under GNCL ESOS is recognised based on the fair value of the options as on the grant date. In terms of the exemptions, the fair value of unvested options as at the date of transition have been accounted for as part of reserves.

D Remeasurement of Post employment obligation

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

E Deferred Tax

Under Ind AS, deferred taxes are recognised relating to Ind AS adjustments including deferred taxes measured using balance sheet approach. The effect of these are reflected in total equity and profit or loss.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

F Investment in Equity instrument through OCI

Under the Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, investments are measured at fair value and the mark-to-market gains/ losses are recognized either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI) based on the business model test. Effect of Ind AS adoption on total comprehensive income represents the mark-to-market gains/ losses on investment.

G Fair Value of Derivative

Under the previous GAAP the premium or discount arising at inception of forward exchange contracts entered into an ,existing asset/liability, was amortised as expense or income over the life of the contract. Under IndAS 109, changes in fair value of derivative instruments shall be accounted for under Fair Value through Profit and Loss(FVTPL)

Note - 4 PROPERTY PLANT AND EQUIPMENT

Rs. in Crores

	Land		Buildings Machinery	Plant & Equipment	Office Fixture	Furniture & Handeling	Material Installation Equipment / Vehicles	Electrical	Windmill	Total
	Freehold	Leasehold								
Gross Carrying Amount										
Deemed cost as at 1st April, 2015	98.07	8.51	216.85	632.25	2.59	3.37	28.11	28.19	488.10	1,506.06
Additions	-	-	-	4.35	0.03	-	0.54	0.02	-	4.94
Disposal	(5.80)	5.80	-	1.25	-	-	3.41	-	-	4.66
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	103.87	2.71	216.85	635.36	2.62	3.37	25.24	28.21	488.10	1,506.34
Additions	0.06	-	-	0.45	0.05	0.01	0.09	0.23	-	0.90
Disposal	-	-	-	-	-	-	0.98	-	-	0.98
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	103.93	2.71	216.85	635.81	2.67	3.38	24.35	28.44	488.10	1,506.26
Accumulated Depreciation										
Balance as at 1st April, 2015	-	-	37.31	207.95	2.22	2.37	20.53	15.83	183.51	469.71
Additions	-	-	10.52	28.15	0.18	0.34	1.50	5.02	19.19	64.90
Disposal	-	-	-	0.41	-	-	1.52	-	-	1.93
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	-	-	47.83	235.69	2.40	2.71	20.51	20.85	202.70	532.68
Additions	-	-	9.52	28.22	0.09	0.16	1.19	1.45	19.19	59.81
Disposal	-	-	-	-	-	-	0.87	-	-	0.87
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	-	57.35	263.91	2.49	2.86	20.83	22.30	221.89	591.63
Net Carrying Amount										
Balance as at 1st April, 2015	98.07	8.51	179.54	424.30	0.37	1.00	7.59	12.36	304.59	1,036.34
Balance as at 31st March, 2016	103.87	2.71	169.02	399.67	0.22	0.66	4.73	7.36	285.40	973.66
Balance as at 31st March, 2017	103.93	2.71	159.50	371.90	0.18	0.52	3.51	6.14	266.21	914.63
CAPITAL WORK IN PROGRESS										
										<i>Rs. in Crores</i>
1st April, 2015										204.56
31st March, 2016										211.78
31st March, 2017										233.38

GUJARAT NRE COKE LIMITED

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

5 NON-CURRENT INVESTMENTS

Description	Face Value (Rs)	No. of Shares*	As at 31st March, 2017	No. of Shares*	As at 31st March, 2016	No. of Shares*	As at 1st April, 2015
Quoted (Equity)							
Indian							
Shah Alloys Ltd	10	969,769	7.34	969,769	7.34	969,769	7.34
Sal Steel Ltd.	10	2,737,682	6.14	2,737,682	6.14	2,737,682	6.14
Aggregate Book Value of Quoted Investments (Equity)			13.48		13.48		13.48
Less: Provision for Diminution in Value of Investment			10.55		11.80		12.47
Aggregate Market Value of Quoted Investments (Equity)			2.93		1.68		1.01
Unquoted (Equity)							
Indian							
In Indian Subsidiaries							
Wholly Owned							
Hunter Valley Coal Pvt. Ltd	1	25,115,850	248.27	25,115,850	248.27	25,115,850	247.30
Manor Dealcom Pvt. Ltd	1	23,628,150	234.38	23,628,150	234.38	23,628,150	233.42
Others							
Bharat NRE Coke Ltd	10	10,835,000	10.84	10,835,000	10.84	10,835,000	10.84
Bulli Coke Ltd.	1	18,855,500	78.59	18,855,500	78.59	8,475,000	19.42
Critical Mass Multilink Ltd	1	7,484,000	35.02	7,484,000	35.02	4,711,000	8.63
Gaurav Vinimay Pvt. Ltd.	1	10,117,000	60.25	10,117,000	60.25	6,920,000	44.28
Gujarat NRE Energy Resources Ltd.	1	8,932,500	42.95	8,932,500	42.95	7,700,000	29.66
Madhur Coal Mining Pvt Ltd	1	9,697,800	35.61	9,697,800	35.61	8,697,800	25.61
Mahanidhi Vyapaar Pvt Ltd	1	12,648,000	110.43	12,648,000	110.43	1,340,000	5.55
Newage Vinimay Pvt Ltd	1	8,132,500	44.30	8,132,500	44.30	8,132,500	44.30
Russell Vale Traders Pvt Ltd	1	7,331,000	67.69	7,331,000	67.69	5,239,900	47.09
Wonga Traders Pvt Ltd	1	11,683,000	88.91	11,683,000	88.91	2,651,250	11.15
Others							
Gujarat NRE Pty Ltd	N.A.	106,268,690	370.88	106,268,690	370.88	106,268,690	370.88
Aggregate Book Value of Unquoted Investments (Equity)			1,428.12		1,428.12		1,098.13
Total Investments (At cost)			1,431.05		1,429.80		1,099.14
Market value of Quoted Investments (Equity)			2.93		1.68		1.01

*Investment in Indian company equity shares are fully paid up

** Refer Note No. 2.3(c&d) for valuation

6 Fair Value Measurement

Financial Instruments by Category and hierarchy

The Company uses following hierarchy for determining and disclosing the fair value of Financial Instruments by Valuation Technique

Level 1: Quoted (Unadjusted) Prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have significant effect on the recorded fair value are observable either directly or indirectly

Level 3: Techniques which use inputs have a significant effect on the recorded fair value that are not based on observable market data

Financial Assets and Liabilities as at 31st March 2017

	Non Current			Current			Total			Fair Value Through Profit and Loss				Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Total			
Financial Assets																						
Investments																						
Quoted Equity Instruments				2.93	-	-	-	-	-	-	-	-	2.93	-	-	-	-	-	-	-	2.93	
Equity Instruments in Subsidiary				482.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	482.65	482.65	482.65	
Equity Instruments in Associates				574.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	574.59	574.59	574.59	
Equity Instruments in Foreign Subsidiary				370.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	370.88	370.88	370.88	
				1,431.05									2.93						1,428.12	1,428.12	1,431.05	
Other Financial Assets																						
Capital Advance				6.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.84	6.84	6.84	
Deposits With Govt. Authorities & Others				2.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.40	2.40	2.40	
Deferred Employee Compensation Under ESOS				1.32	-	-	1.32	-	-	-	-	-	-	-	-	-	-	-	-	-	1.32	
Advances recoverable in cash or in kind				-	691.17	-	-	-	-	-	-	-	-	-	-	-	-	-	691.17	691.17	691.17	
Trade Receivable				-	43.38	-	-	-	-	-	-	-	-	-	-	-	-	-	43.38	43.38	43.38	
Cash and Cash Equivalents				-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	0.05	0.05	
Bank Balance				-	10.81	-	-	-	-	-	-	-	-	-	-	-	-	-	10.81	10.81	10.81	
				10.56	745.41		1.32		1.32										754.65	754.65	755.97	
Financial Liabilities																						
Borrowings				1,551.15	411.90	-	-	-	-	-	-	-	-	-	-	-	-	-	1,963.05	1,963.05	1,963.05	
Trade Payables				-	168.77	-	-	-	-	-	-	-	-	-	-	-	-	-	168.77	168.77	168.77	
Other Financial Liabilities				-	438.08	-	-	-	-	-	-	-	-	-	-	-	-	-	438.08	438.08	438.08	
				1,551.15	1,018.45														2,569.90	2,569.90	2,569.90	

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

6 Fair Value Measurement (Contd.)

Financial Instruments by Category and hierarchy (Contd.)

Financial Assets and Liabilities as at 31st March 2016				Fair Value Through Profit and Loss				Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments																
Quoted Equity Instruments	1.68	-	1.68	-	-	-	-	1.68	-	-	1.68	-	-	-	-	1.68
Equity Instruments in subsidiary	482.65	-	482.65	-	-	-	-	-	-	-	-	-	482.65	482.65	-	482.65
Equity Instruments in associates	574.59	-	574.59	-	-	-	-	-	-	-	-	-	574.59	574.59	-	574.59
Equity Instruments in Foreign Subsidiary	370.88	-	370.88	-	-	-	-	-	-	-	-	-	370.88	370.88	-	370.88
	<u>1,429.80</u>	<u>-</u>	<u>1,429.80</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.68</u>	<u>-</u>	<u>-</u>	<u>1.68</u>	<u>-</u>	<u>1,428.12</u>	<u>1,428.12</u>	<u>-</u>	<u>1,429.80</u>
Other Financial Assets																
Capital Advance	7.37	-	7.37	-	-	-	-	-	-	-	-	-	7.37	7.37	-	7.37
Deposits With Govt. Authorities & Others	2.06	-	2.06	-	-	-	-	-	-	-	-	-	2.06	2.06	-	2.06
Deferred Employee Compensation Under ESOS	1.70	-	1.70	-	1.70	-	1.70	-	-	-	-	-	-	-	-	1.70
Advances recoverable in cash or in kind	-	716.88	716.88	-	-	-	-	-	-	-	-	-	716.88	716.88	-	716.88
Trade Receivable	-	93.71	93.71	-	-	-	-	-	-	-	-	-	93.71	93.71	-	93.71
Cash and Cash Equivalents	-	0.24	0.24	-	-	-	-	-	-	-	-	-	0.24	0.24	-	0.24
Bank Balance	-	9.51	9.51	-	-	-	-	-	-	-	-	-	9.51	9.51	-	9.51
	<u>11.13</u>	<u>820.34</u>	<u>831.47</u>	<u>-</u>	<u>1.70</u>	<u>-</u>	<u>1.70</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>829.77</u>	<u>829.77</u>	<u>-</u>	<u>831.47</u>
Financial Liabilities																
Borrowings	1,728.78	1,147.27	2,876.05	-	-	-	-	-	-	-	-	-	2,876.05	2,876.05	-	2,876.05
Trade Payables	-	162.69	162.69	-	-	-	-	-	-	-	-	-	162.69	162.69	-	162.69
Forward Contract Liabilities(Financial Instrument)	-	0.24	0.24	-	0.24	-	0.24	-	-	-	-	-	-	-	-	0.24
Other Financial Liabilities	-	226.25	226.25	-	-	-	-	-	-	-	-	-	226.25	226.25	-	226.25
	<u>1,728.78</u>	<u>1,536.45</u>	<u>3,265.23</u>	<u>-</u>	<u>0.24</u>	<u>-</u>	<u>0.24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,264.99</u>	<u>3,264.99</u>	<u>-</u>	<u>3,265.23</u>

Financial Assets and Liabilities as at 31st March 2015				Fair Value Through Profit and Loss				Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments																
Quoted Equity Instruments	1.01	-	1.01	-	-	-	-	1.01	-	-	1.01	-	-	-	-	1.01
Equity Instruments in subsidiary	480.72	-	480.72	-	-	-	-	-	-	-	-	-	480.72	480.72	-	480.72
Equity Instruments in associates	246.53	-	246.53	-	-	-	-	-	-	-	-	-	246.53	246.53	-	246.53
Equity Instruments in Foreign Subsidiary	370.88	-	370.88	-	-	-	-	-	-	-	-	-	370.88	370.88	-	370.88
	<u>1,099.14</u>	<u>-</u>	<u>1,099.14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.01</u>	<u>-</u>	<u>-</u>	<u>1.01</u>	<u>-</u>	<u>1,098.13</u>	<u>1,098.13</u>	<u>-</u>	<u>1,099.14</u>
Other Financial Assets																
Capital Advance	2.00	-	2.00	-	-	-	-	-	-	-	-	-	2.00	2.00	-	2.00
Deposits With Govt. Authorities & Others	5.56	-	5.56	-	-	-	-	-	-	-	-	-	5.56	5.56	-	5.56
Deferred Employee Compensation Under ESOS	2.27	-	2.27	-	2.27	-	2.27	-	-	-	-	-	-	-	-	2.27
Advances recoverable in cash or in kind	-	837.82	837.82	-	-	-	-	-	-	-	-	-	837.82	837.82	-	837.82
Trade Receivable	-	359.90	359.90	-	-	-	-	-	-	-	-	-	359.90	359.90	-	359.90
Cash and Cash Equivalents	-	0.24	0.24	-	-	-	-	-	-	-	-	-	0.24	0.24	-	0.24
Bank Balance	-	6.83	6.83	-	-	-	-	-	-	-	-	-	6.83	6.83	-	6.83
	<u>9.83</u>	<u>1,204.79</u>	<u>1,214.62</u>	<u>-</u>	<u>2.27</u>	<u>-</u>	<u>2.27</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212.35</u>	<u>1,212.35</u>	<u>-</u>	<u>1,214.62</u>
Financial Liabilities																
Borrowings	2,087.76	881.97	2,969.73	-	-	-	-	-	-	-	-	-	2,969.73	2,969.73	-	2,969.73
Trade Payables	-	427.54	427.54	-	-	-	-	-	-	-	-	-	427.54	427.54	-	427.54
Forward Contract Liabilities(Financial Instrument)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	242.22	242.22	-	-	-	-	-	-	-	-	-	242.22	242.22	-	242.22
	<u>2,087.76</u>	<u>1,551.73</u>	<u>3,639.49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,639.49</u>	<u>3,639.49</u>	<u>-</u>	<u>3,639.49</u>

7 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

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

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

1) Market Risk :

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

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

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

	As at 31.03.17	As at 31.03.16
Forward Contracts outstanding for hedging currency risks		
- Loans	-	-
- Payable	-	32.35
Foreign Currency Exposures that have not been hedged		
- Loans including accrued interest	233.53	233.53
- Payable	9.04	22.09
- Receivable	289.90	289.90

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

7 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES (Contd.)

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

Changes in USD Rate	Effect on profit after tax			Effect on Total Equity		
	Year 2016-17	Year 2015-16	Year 2014-15	Year 2016-17	Year 2015-16	Year 2014-15
+5%	2.36	0.09	(8.47)	2.36	(0.09)	(8.47)
-5%	(2.36)	(0.09)	8.47	(2.36)	0.09	8.47

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at 31st March, 2017, the carrying value of such equity instruments recognised at FVTOCI amounts to Rs. 2.93 crores (Previous year Rs 1.67 crores and Rs 1.00 crores as at 1st April, 2015).

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

If the equity prices had been higher/lower by 10% from the market prices existing as at 31st March, 2017, Other Comprehensive Income for the year ended 31st March, 2017 would increase/decrease by ₹ 0.11 Crores (2015-16 ₹0.04 crores, 2014-15 ₹ 1.24 crores) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2017. 10% represents management's assessment of reasonably possible change in equity prices.

2) Credit Risk :

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

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

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

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

3) Liquidity Risk :

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

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

	As at 31st March 2017				As at 31st March 2016			
	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total
Maturity patterns of borrowings								
Long term borrowings (Including current maturity of long term debt)	411.90	1,468.01	88.12	1,968.03	195.56	67.20	1,106.27	1,969.03
	411.90	1,468.01	88.12	1,968.03	195.56	67.20	1,106.27	1,969.03
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2017								
Trade Payable	168.77	-	-	-	168.77			
Payable related to Capital goods	8.75	-	-	-	8.75			
Other Financial liability (Current and Non Current)	387.07	42.25	2.78	15.20	447.30			
	564.59	42.25	2.78	15.20	624.82			
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2016								
Trade Payable	162.69	-	-	-	162.69			
Payable related to Capital goods	12.17	-	-	-	12.17			
Other Financial liability (Current and Non Current)	89.20	125.12	2.64	14.96	231.92			
	264.06	125.12	2.64	14.96	406.78			
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2015								
Trade Payable	427.54	-	-	-	427.54			
Payable related to Capital goods	19.78	-	-	-	19.78			
Other Financial liability (Current and Non Current)	36.61	185.83	11.82	8.15	242.41			
	483.93	185.83	11.82	8.15	689.73			

8 CAPITAL RISK MANAGEMENT

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

9 OTHER NON-CURRENT FINANCIAL ASSETS

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, Considered Good)			
Capital Advance	6.84	7.37	2.00
Deposits With Govt. Authorities & Others	2.40	2.06	5.56
Advance Tax (incl. Tax Deducted at Source)	70.55	70.47	66.82
	79.79	79.90	74.38

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

10 NON-CURRENT DEFERRED TAX ASSETS (Net)	As at	As at
	31st March, 2017	31st March, 2016
Income tax expense in the statement of profit and loss comprises:		
Current Tax		
Current Tax on Taxable income for the year	-	-
Total Current tax expense	-	-
Deferred Tax		
Deferred Tax charge /(Credit)	-	(391.82)
MAT Credit (Taken)/Utilised	-	-
Total deferred Income Tax Expense/(Benefit)	-	(391.82)
Tax in respect of earlier years	-	2.31
Total Income tax expense	-	(389.51)

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

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Deferred Income Tax Assets			
<i>On Account of Deductible temporary differences</i>			
Provision for gratuity and leave encashment	1.77	1.77	1.84
Other Payables	53.56	53.56	2.65
Interest Accrued and due and not due	2.48	2.48	95.62
Unabsorbed Depreciation	27.12	27.12	27.07
Business Loss	685.27	685.27	277.82
Total Deferred Tax Assets:	770.20	770.20	405.00
Deferred Income Tax Liabilities			
<i>On Account of Taxable temporary differences</i>			
Property Plant and Equipment	201.99	201.99	179.24
Deferred Employee compensation	0.55	0.55	0.73
Non Current Investment	3.83	3.83	-
Long Term Borrowings	12.76	12.76	21.43
Deferred Income Tax Liabilities arises in Business Combination	28.51	28.51	30.28
Total Deferred tax Liabilities:	247.64	247.64	231.68
Net Deferred Tax Assets carried to Balance sheet:	522.56	522.56	173.32

Movement in Deferred Tax Assets and Liabilities

Description	Charge /(Credited)				Charge/(Credited)			
	As at 1st April 2015	Other Comprehensive Income	Profit / Loss A/C	Retained Earnings	As at 31st March 2016	Other Comprehensive Income	Profit/ Loss A/C	As at 31st March 2017
Provision for gratuity and leave encashment	1.84	-	(0.39)	0.45	1.78	-	-	1.78
Other Payables	2.65	-	(51.56)	0.65	53.56	-	-	53.56
Interest Accrued and due and not due	95.62	-	69.65	23.49	2.48	-	-	2.48
Unabsorbed Depreciation	27.07	-	(6.71)	6.65	27.13	-	-	27.13
Business Loss	277.82	-	(475.70)	68.25	685.27	-	-	685.27
Property Plant and Equipment	(179.24)	-	66.79	(44.03)	(202.00)	-	-	(202.00)
Deferred Employee compensation	(0.73)	-	-	(0.18)	(0.55)	-	-	(0.55)
Non Current Investment	-	-	3.83	-	(3.83)	-	-	(3.83)
Long Term Borrowings	(21.43)	-	(3.41)	(5.27)	(12.75)	-	-	(12.75)
Deferred Income Tax Liabilities arises in Business Combination	(30.28)	-	5.67	(7.44)	(28.51)	-	-	(28.51)
Total	173.32	-	(391.83)	42.57	522.58	-	-	522.58

The Management of the Company is reasonably certain that the Company would be having Future Taxable Income and deferred tax assets are only recognized to the extent that their utilization is probable, i.e. tax benefit is expected in future periods and the Same is further supported by the Technical & Economical Valuation conducted by Mecon Ltd. as a part of CDR Implementation.

11 OTHER NON-CURRENT ASSETS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Unamortised Expenses:			
(To the extent not written off/or adjusted)			
- Deferred Employee Compensation Under ESOS			
Balance B/F	1.70	2.25	3.36
Less - Adjusted for ESOS under Ind AS at Fair Value	(0.05)	(0.12)	0.55
Less - Adjusted for Employees left during the year	0.15	0.72	0.95
Less - Amortised during the year (net)	0.28	(0.04)	(0.39)
Deferred Revenue Expenses			
- FCCB issue Expenses	-	0.01	0.02
	<u>1.32</u>	<u>1.71</u>	<u>2.27</u>

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

12 INVENTORIES

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Stores , Spares & Consumables	6.04	4.97	5.40
Raw Materials	147.39	129.10	246.27
Work in Process	0.78	0.93	3.22
Finished Goods	66.24	198.76	931.51
	<u>220.45</u>	<u>333.76</u>	<u>1,186.40</u>

13 CURRENT INVESTMENTS

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	Face Value (Rs)	No. of Shares*	Values	No. of Shares*	Values	No. of Shares*
Quoted (Equity)						
Overseas Investments						
Wollongong Coal Ltd. (formerly Gujarat NRE Coking Coal Ltd)	N.A.	-	Nil (4,81,22,800)		48,122,800	25.27
Less: Provision for Diminution in Value of Investment						(20.66)
Aggregate Book Value of Quoted Investments			-		-	<u>4.61</u>
Market value of Quoted Investments			-		-	<u>4.61</u>

* Previous Year figure are in bracket

14 TRADE RECEIVABLE* (Unsecured, considered good)

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Trade Receivables	43.38	93.71	344.82
Receivable from Related Party	-	-	15.08
	<u>43.38</u>	<u>93.71</u>	<u>359.90</u>

15 CASH & CASH EQUIVALENTS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Cash in hand (as certified by the Management)	0.05	0.24	0.11
Balance with Scheduled Banks			
- In Current Account	4.90	1.18	1.26
- In Current Account for Unclaimed Dividend	0.79	1.15	1.61
- In Term Deposits* (Including interest accrued) **	4.99	7.05	3.83
Balance with Non Scheduled Banks			
- In Current Account	0.13	0.13	0.13
	<u>10.86</u>	<u>9.75</u>	<u>6.94</u>

*includes Term deposits held as margin on Letter of Credit and Bank Guarantee

**Term Deposits with Banks includes deposits of Rs. Nil (Previous Year Rs.Nil Crores) with maturity of more than 12 months.

16 OTHER CURRENT FINANCIAL ASSETS (Unsecured, Considered Good)

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
Advances recoverable in cash or in kind or value to be received	691.18		750.07		837.82	
Less: Provision for Bad & Doubtful Advances	0.00	691.18	33.19	716.88	0.00	837.82
Advance Tax (incl. Tax Deducted at Source)		0.10		0.03		6.97
		<u>691.28</u>		<u>716.91</u>		<u>844.79</u>

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

17

A EQUITY SHARE CAPITAL

Description

	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
AUTHORISED :			
1,60,00,00,000 Equity Shares (Previous Year 1,60,00,00,000) of Rs. 10/- each.	1,600.00	1,600.00	1,600.00
10,00,00,000 "A" Equity Shares (Previous Year 10,00,00,000) of Rs.10/- each Carrying 100 Voting Rights per "A" Equity Share	100.00	100.00	100.00
30,00,00,000 "B" Equity Shares (Previous Year 30,00,00,000) of Rs.10/- each Carrying 1 Voting Right per 100 "B" Equity Shares	300.00	300.00	300.00
	2,000.00	2,000.00	2,000.00
ISSUED,SUBSCRIBED AND PAID-UP :			
160,45,48,645 Equity Shares of Rs.10/- each fully paid up, (Previous year 125,10,39,175)	1,604.55	1,251.04	689.99
Add: Equity Shares Nil (Previous year 30,40,42,725) of Rs. 10 each, fully paid up, issued on Amalgamation	-	304.04	304.04
5,24,88,010 "B" Equity Shares of Rs.10/- each fully paid up, (Previous year 5,24,88,010)	52.49	52.49	52.49
	1,657.04	1,607.57	1,046.52

	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
No of Shares	No of Shares	No of Shares	No of Shares

17.1 *Of the above Shares:*

"B" Equity Shares out of the issued, subscribed and paid up "B" Equity Share Capital were issued as fully paid Bonus Shares in the last five years, preceeding 31st March, 2017.	-	1,748,176	52,488,010.00
Equity Shares out of the issued, subscribed and paid up Equity Share Capital were issued in the last five years for consideration other than Cash pursuant to a scheme of amalgamation	304,042,725	304,042,725	-

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

Name of the Shareholders

	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	No of Shares	% held	No of Shares	% held	No of Shares	% held
Equity Shares:						
State Bank of India	239,741,630	18.43%	239,741,630	19.16%	-	-
Axis Bank	98,662,101	7.59%	98,299,603	7.86%	-	-
"B" Equity Shares:						
Bharat NRE Coke Ltd. (Gujarat NRE Mineral Resources Ltd. merged with the Bharat NRE Coke Ltd)	14,075,913	26.82%	14,075,913	26.82%	15,175,913	28.91%
SICOM	2,533,645	4.83%	3,595,047	6.85%	1,390,120	2.65%

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

	As at 31st March,2017	As at 31st March,2016
Particulars	No of Shares	No of Shares
Equity Shares:		
<i>Equity Shares at the beginning of the year</i>	1,555,081,900	689,985,035
Add: Preferential Shares issue to ICICI Bank		33,185,000
Add: Shares issued on Conversion of Share Warrant	25,000,000	60,000,000
Add: Preferential Shares issue under CDR to CDR Lenders	24,466,745	467,869,140
Add: Shares allotted under scheme of amalgamation	-	304,042,725
<i>Equity Shares at the end of the year</i>	1,604,548,645	1,555,081,900
"B" Equity Shares:		
<i>Equity Shares at the beginning of the year</i>	52,488,010	52,488,010
<i>Equity Shares at the end of the year</i>	52,488,010	52,488,010

Notes to Financial Statements for the year ended 31st March, 2017 *(contd.)*

17.4 i) **Shares Reserved for issue under Employee Stock Options Plan**

Movement in Options granted during the Year ended March 2017 is given below:

	No. of Options 31.03.2017	Weighted Average Exercise Price (in Rs.) 31.03.2017	No. of Options 31.03.2016	Weighted Average Exercise Price (in Rs.) 31.03.2016
a) Outstanding at the beginning of the Year				
- Equity Shares	5,402,300	35.40	6,437,050	35.40
- "B" Equity Shares	164,080	-	190,680	-
Granted during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares (To give effect of Bonus)	-	-	-	-
Forfeited during the Year				
- Equity Shares	1,251,700	44.78	1,034,750	36.36
- "B" Equity Shares	32,620	-	26,600	-
Exercised during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
Expired during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
b) Outstanding at the end of the Year				
- Equity Shares	4,150,600	32.41	5,402,300	35.40
- "B" Equity Shares	131,460	-	164,080	-
c) Exercisable at the end of the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
ii) Share Reserved for issue against Share Warrants			As at 31st March, 2017	As at 31st March, 2016
Equity Shares			No. of Warrants	No. of Warrants
			-	25,000,000

iii) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US \$ 20 Millions at par on 24th October 2012. These bonds are convertible into equity shares of the Company at the option of the bond holders at a price of Rs. 12.00 per share. On Conversion these Bonds will result in 8,95,58,333 equity shares of the Company.

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption Reserves	Employees Stock Option Outstanding	Surplus from Statement of Profit & Loss:	Total
Balance as at 1st April, 2015	251.25	144.87	511.80	196.57	5.35	(857.21)	252.63
Profit/(Loss) of Amalgamating Company	-	-	-	-	-	(6.60)	(6.60)
Profit/(Loss) for the year	-	-	-	-	-	(819.34)	(819.34)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	0.40	0.40
	-	-	-	-	-	(1,682.75)	(572.91)
Transfer on forfeiture of Share Warrant	-	10.40	-	-	-	-	10.40
Securities premium Received During the Year	-	-	52.51	-	-	-	52.51
Capital Reserve arising on Amalgamation	-	25.12	-	-	-	-	25.12
Deferred Tax arising on Business Combination	-	(29.71)	-	-	-	-	(29.71)
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	(0.88)	-	(0.88)
Adjustment for Option Forfeited during the year	-	-	-	-	(0.72)	-	(0.72)
Adjustment for Business Combination	-	-	-	-	-	1.20	1.20
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	-	0.46	0.46
Measuring borrowings at amortised cost	-	-	-	-	-	70.48	70.48
Measuring Investment at fair value	-	-	-	-	-	(12.47)	(12.47)
Adjustment for Deferred Tax	-	-	-	-	-	(90.36)	(90.36)
Balance as at 31st March, 2016	251.25	150.68	564.31	196.57	3.75	(1,713.44)	(546.86)
Balance as at 1st April, 2016	251.25	150.68	564.31	196.57	3.75	(1,713.44)	(546.86)
Profit/(Loss) for the year	-	-	-	-	-	(675.83)	(675.83)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	1.10	1.10
	-	-	-	-	-	(2,388.17)	(1,221.59)
Securities premium Received During the Year	-	-	7.52	-	-	-	7.52
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	0.12	-	0.12
Adjustment for Option Forfeited during the year	-	-	-	-	(0.86)	-	(0.85)
Balance as at 31st March, 2017	251.25	150.68	571.83	196.57	3.01	(2,388.17)	(1,214.80)

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

18 LONG TERM BORROWINGS

Deferred Income Tax Assets

On Account of Deductible temporary differences

Description

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured						
Non Convertible Debentures	106.87	305.64	62.05	350.46	38.70	383.06
Foreign Currency Term Loans from Scheduled Banks	25.22	75.65	8.07	92.80	5.99	93.77
Term Loans from Scheduled Banks	259.02	962.42	115.70	1,109.25	79.68	1,220.89
Term Loans from Scheduled Banks- FITL	20.79	69.63	7.43	82.99	20.57	264.86
Term Loans from Others	-	-	-	-	0.21	-
Loan Liability Adjustment	-	5.15	-	(39.38)	-	-
	<u>411.90</u>	<u>1,418.49</u>	<u>193.25</u>	<u>1,596.12</u>	<u>145.15</u>	<u>1,962.58</u>
Unsecured						
Foreign Currency Convertible Bonds	-	132.66	-	132.66	-	125.18
	<u>-</u>	<u>132.66</u>	<u>-</u>	<u>132.66</u>	<u>-</u>	<u>125.18</u>
	<u>411.90</u>	<u>1,551.15</u>	<u>193.25</u>	<u>1,728.78</u>	<u>145.15</u>	<u>2,087.76</u>

A) For all Secured Term Loans & Non Convertible Debentures excluding "B" & "C"

i) Primary Security:

Pari- passu 1st charge over the entire fixed assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat, Dharwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dharwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat.

ii) Collateral Security:

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

b) Along with Working Capital facilities

-First Pari-passu charge on Residential Property at 1, Clyde Row, Hastings, Kolkata in the name of Mr. Arun Kumar Jagatramka

-First Pari-passu charge on Residential-cum-office Property at NRE House, Saru Road, Jamnagar, Gujarat in the name of Mr. Arun Kumar Jagatramka

-Pledge of 78,478,035 Equity shares and 12,357,468 Class "B" Equity Shares of GNCL held by the promoters/ promoter Group Company .

-Personal Guarantees of Promoter Directors viz. Mr. Arun Kumar Jagatramka and Mrs. Mona Jagatramka.

-Corporate Guarantee (to the extent of the value of shares pledged) of promoter group companies namely Bharat NRE Coke Ltd and Mangal Crystal Coke Pvt. Ltd.

-Corporate Guarantee of Bharat NRE Coke Limited.

c) The Rupee Term Loan II of Rs. 54 Crores from ICICI Bank Ltd. (assigned to JMARC) further secured by Corporate guarantee of Gujarat NRE Pty Ltd.

B) Term Loan from The Laxmi Vilas Bank Ltd. amounting to Rs. 48.50 Crores

Primary Security:

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

Collateral Security:

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

C) Term Loan from others are secured by Hypothecation of specified Movable fixed assets financed.

D) Maturity Profile of Term Loans are as set below:

	Repayment profile (Rs.)			
	Repayable during 01.04.17 - 31.03.18	Repayable during 01.04.18 - 31.03.19	Repayable during 01.04.19 - 31.03.2020	Repayable beyond 31.03.2020
Foreign Currency Term Loans from Scheduled Banks	25.22 (8.07)	13.11 (11.10)	13.11 (13.11)	49.43 (68.59)
Term Loan from Banks	259.01 (115.70)	166.62 (143.12)	172.77 (173.00)	633.17 (803.26)
Term Loan from Banks-FITL	20.79 (7.43)	11.85 (10.22)	12.08 (12.08)	45.70 (60.69)
5.5% Foreign Currency Convertibles Bonds	132.66 (132.66)	-	-	-
Non Convertible Debentures				
11% Secured Redeemable NCDs	92.82 (48.00)	52.98 (44.83)	52.98 (52.98)	199.68 (252.66)
12.50% Secured Redeemable NCDs	14.05 (14.05)	-	-	-

Notes to Financial Statements for the year ended 31st March, 2017 *(contd.)*

- E) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US \$ 20 Millions at par on 24th October 2012. These bonds are convertible into equity shares of the Company at the option of the bond holders at a price of Rs. 12.00 per share. On Conversion these Bonds will result in 8,95,58,333 equity shares of the Company. If not converted then they are redeemable on 24th October 2017
- F) The company was informed by ICICI Bank Limited vide letter dated 5th October 2016 about the assignment of the outstanding dues of ICICI Bank to J M Financial Asset Reconstruction Company Private Limited ("JMARC") with effect from 27th September 2016. As such all the outstanding dues of ICICI Bank Limited with effect from the said date stands transferred to J M Financial ARC.
- G) The company was informed by DBS Bank Limited vide letter dated 13th April 2017 about the assignment of the outstanding dues of DBS Bank to Assets Care & Reconstruction Enterprise Limited ("ACRE") with effect from 29th March 2017. As such all the outstanding dues of DBS Bank Limited with effect from the said date stands transferred to ACRE.

19 LONG TERM PROVISIONS

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Gratuity & Leave Encashment	5.36	5.12	5.33
Provision for Taxation	9.84	9.84	2.82
	<u>15.20</u>	<u>14.96</u>	<u>8.15</u>

20 SHORT TERM BORROWINGS

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Working Capital Facilities from Scheduled Banks	1,118.58	954.02	736.82
	<u>1,118.58</u>	<u>954.02</u>	<u>736.82</u>

i Primary Security:

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

ii Collateral Security:

a) Pari-passu 2nd charge over the entire fixed assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat, Dharwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dharwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat.

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

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

21 TRADE PAYABLES

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro, Small & Medium Enterprises*	-	-	-
Others	168.77	162.69	427.54
	<u>168.77</u>	<u>162.69</u>	<u>427.54</u>

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid on all delayed payment under the MSMED Act	-	-	-
Payment made beyond the appointed day during the Year	-	-	-
Interest due and payable for the Year of delay other than above	-	-	-
Interest accrued remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding Years	-	-	-

22 OTHER CURRENT LIABILITIES

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long term debts	411.90	193.25	145.15
Interest Accrued but not due on borrowings	-	-	1.57
Interest Accrued & due on Borrowings	387.07	61.97	35.04
Unclaimed Dividend	0.79	1.15	1.61
Creditors for Capital Expenditure	8.75	12.17	19.78
Advance Share Application Money Received	-	26.99	-
Financial Instruments	-	0.24	-
Others Payables	41.47	123.97	184.23
	<u>849.98</u>	<u>419.74</u>	<u>387.38</u>

There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March, 2017.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

23 SHORT TERM PROVISIONS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Provision for Gratuity & Leave Encashment	0.49	0.35	0.33
Provision for Taxation	2.29	2.29	11.51
	<u>2.78</u>	<u>2.64</u>	<u>11.84</u>

24 REVENUE FROM OPERATIONS

Description	For the year ended 31.03.2017		For the year ended 31.03.2016	
Sales	502.18		731.47	
Add: Excise Duty	39.04	541.21	15.97	747.44
		<u>541.21</u>		<u>747.44</u>

24.1 PARTICULARS OF SALE OF PRODUCTS

Description	Net Sales	Excise Duty	For the year ended 31.03.2017	For the year ended 31.03.2016
Coal & Coke	346.81	20.98	367.79	693.58
Rolled & Alloy Steel Products	141.89	18.06	159.95	36.17
Electricity Power (Windmill)	13.48	-	13.48	17.69
	<u>502.18</u>	<u>39.04</u>	<u>541.22</u>	<u>747.44</u>

25 OTHER INCOME

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Income	0.64	1.40
(TDS Rs.0.10 Crores, Previous Year Rs. 0.20 Crores)	-	-
- Profit on Sale of Investments	-	0.10
Foreign Exchange Fluctuation	0.23	-
Guarantee Commission	-	71.72
Day 1 gain on amortisation of VGF	-	15.41
Miscellaneous Income	4.31	0.09
	<u>5.18</u>	<u>88.72</u>

26 COST OF MATERIAL CONSUMED

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Coal & Coke	354.88	228.30
Rolled & Alloy Steel Products	101.87	19.54
	<u>456.75</u>	<u>247.84</u>

26.1 PARTICULARS OF COST OF MATERIAL CONSUMED

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Imported	79.68	75.65
Indigenous	377.07	172.19
	<u>456.75</u>	<u>247.84</u>

27 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROCESS & STOCK IN TRADE

Description	For the year ended 31.03.2017		For the year ended 31.03.2016	
<i>Closing Stocks</i>				
- Finished Goods	66.24		198.75	
- Work in Process	0.78	67.02	0.93	199.68
Less :Opening Stocks				
- Finished Goods	198.76		926.10	
- Work in Process	0.93	199.69	3.07	929.17
Less :Opening Stock acquired on Amalgamation				
- Finished Goods		-		3.14
		<u>(132.67)</u>		<u>(732.63)</u>
Less: Change in Excise Duty on Stock		<u>(0.25)</u>		<u>0.02</u>
		<u>(132.92)</u>		<u>(732.61)</u>

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

28 EMPLOYEES BENEFITS EXPENSES

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Salaries, Wages, Bonus & Labour Charges	28.26	28.91
Contribution to PF & Other Funds	2.17	2.19
Provision/Payment of Gratuity	0.51	0.14
Employee Compensation Amortisation Under ESOS	0.23	0.39
Employees Welfare Expenses	2.36	1.90
	33.53	33.53

28.1 Disclosure on Employee benefits :-

In respect of defined benefit scheme (based on Actuarial valuation)

	Gratuity Plan	Leave Encashment
	(Rs. in Crores)	
i Change in Obligation over the Year ended 31.03.2017		
- Present value of Defined Benefit Obligation as on 01.04.2017	4.57	0.90
- Current Service Cost	0.51	0.09
- Past Service Cost	-	-
- Interest Cost	0.36	0.07
- Curtailment Cost / (Credit)	-	-
- Settlement Cost / (Credit)	-	-
- Actuarial (gains)/ losses	0.25	(0.10)
- Benefits paid	(0.70)	(0.10)
- Present Value of defined Benefit Obligation as on 31.03.2017	4.99	0.86
ii Expenses recognized during the Year 2016-17		
- Current Service Cost	0.51	0.09
- Past Service Cost	-	-
- Interest Cost	0.36	0.07
- Curtailment Cost / (Credit)	-	-
- Settlement Cost / (Credit)	-	-
- Actuarial (gains)/ losses	0.25	(0.10)
- Expected return on plan assets	-	-
- Total Expenses for the Year	1.12	0.06
iii Principal Actuarial Assumptions at the balance sheet date.		
- Discount rate (based on the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities)	7.35%	
- Expected rate of return on assets	N.A	
- Salary increase (taking into account inflation , seniority , promotion and other relevant factors)	5.00%	
Projected Unit Credit (PUC) actuarial method has been used to assess the Plan's liabilities, including those death-in-service and in capacity benefits.		
iv General Descriptions of defined benefit plans:		
a) Gratuity Plan:		
The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on Termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service.		
b) Provident Fund Plan:		
The Company contributes 12% of salary for all eligible employees towards Provident Fund managed by the Regional Provident Fund Authority.		

29 FINANCE COSTS

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Expenses	391.53	269.16
Other Borrowing Costs	2.36	11.04
Applicable loss/(gain) on foreign currency transactions and translation	-	13.34
	393.89	293.54

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

30 OTHER EXPENSES

DESCRIPTION	For the year ended 31.03.2017	For the year ended 31.03.2016
Manufacturing Expenses:		
Power & Fuel	15.83	10.45
Stores, Spares & Consumables	8.50	2.92
Repair & Maintenance:		
- Plant & Machinery	16.49	12.74
- Building	0.06	0.04
- Others	1.02	1.11
Plant Hire Charges	15.15	18.07
	57.05	45.33
Selling & Distribution Expenses:		
Advertisement & Business Development	0.26	0.86
Carriage & Cartage	9.25	4.14
Commission on Sales	1.88	0.85
	11.39	5.85
Establishment Expenses:		
Professional & Service Charges	7.91	13.21
General Expenses	2.00	3.72
Rent	0.50	0.62
Rates & Taxes	2.25	0.32
Insurance Expenses	1.29	2.47
Unrecoverable Balances Written Off	21.07	0.04
Communication Expenses	0.20	0.22
Travelling & Conveyance	2.34	2.66
Auditors Remuneration		
- For Audit Fees	0.18	0.18
Internal Audit Fees	0.05	0.06
Loss on Sale of Fixed Assets	0.04	1.20
Loss on Conversion of Loans	-	13.42
Foreign Exchange Fluctuation	-	9.21
Preliminary Expenses Written Off	0.01	0.01
	37.84	47.34
	106.28	98.52

31 Segment Informations as per IndAS 108:

Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2017.

i Primary Segment Reporting (by Business Segment):

(Rs. in Crores)

Particulars	2016-17			2015-16		
	Coal & Coke	Steel	Total	Coal & Coke	Steel	Total
Segment Revenue						
(Net Sales/Income from segment)						
External Sales	367.79	173.42	541.21	693.58	53.86	747.44
Inter-Segment Revenue	-	-	-	-	-	-
	367.79	173.42	541.21	693.58	53.86	747.44
Less: Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	367.79	173.42	541.21	693.58	53.86	747.44
Segment Results						
Profit/(Loss) before Tax & Interest	(259.31)	(13.09)	(272.40)	(916.92)	(25.53)	(942.45)
Add:- Other Un-allocable Income Net of Expenditure			(9.53)			60.33
Less:- Finance Charges			0.00			293.54
Less:- Provision for Tax			-			(389.51)
Net Profit before Extraordinary Items			(281.93)			(786.15)
Less: Extraordinary Items			-			33.19
Net Profit			(281.93)			(819.34)
Assets						
Segment Assets*	1,134.98	368.83	1503.81	1,337.20	391.14	1728.34
Un-allocable Assets			2121.00			2120.88
Total Assets			3624.81			3849.22
Liabilities						
Segment Liabilities	173.24	50.13	223.37	262.46	40.67	303.13
Un-allocable Liabilities			14.39			41.63
Total Liabilities			237.76			344.76
*including captive windmills	4.43	261.77		4.84	280.55	
Capital Expenditure	21.76	0.53		11.49	0.43	
Non Cash Expenses						
Depreciation & Amortisation	35.73	23.83		31.83	27.26	

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

31 Segment Informations (Contd.):

ii **Secondary Segment Reporting (by Geographical demarcation):**

(Rs. in Crores)

Particulars	2016-17			2015-16		
	India	Rest of the World	Total	India	Rest of the World	Total
Segment Revenue	541.21	-	541.21	747.44	-	747.44
Segment Assets	1,503.81	-	1,503.81	1,728.34	-	1,728.34
Capital Expenditure	45.37	-	45.37	11.92	-	11.92

32 The Earnings Per Share as per IndAS 33 are as under:

Particulars

Earnings

Net Profit for the Year (Rs. / Crores)

Add: Interest on FCCB (Rs. / Crores)

Earnings for Diluted EPS (Rs. / Crores)

Shares

Number of shares at the beginning of the Year

Add: Share Allotted against Share Warrants

Add : Preferential Allotment

Add: Share issued on Amalgamation

Total number of equity shares outstanding at the end of the Year

Weighted average number of shares outstanding during the Year (for Basic EPS)

Weighted average number of shares outstanding during the Year (for Diluted EPS)

Earning per share :

Basic (Rs.)

Diluted (Rs.)

At 31.03.2017 Basic & Diluted EPS	At 31.03.2016 Basic & Diluted EPS
(675.83)	(819.34)
-	-
(675.83)	(819.34)
1,607,569,910	742,473,045
25,000,000	60,000,000
24,466,745	501,054,140
-	304,042,725
1,657,036,655	1,607,569,910
1,650,935,266	1,161,145,245
1,650,935,266	1,161,145,245
(4.09)	(7.05)
(4.09)	(7.05)

In the above statement, paid up Equity & Earning Per Share include both Equity Shares & B Equity Shares since both class of shares are pari-passu in all respect except for voting rights.

33 Insolvency and Bankruptcy Code:

On 22nd March, 2017, the Company, in the capacity of Corporate Debtor, had filed a petition under Insolvency and Bankruptcy Code, 2016 (Code) with National Company Law Tribunal (NCLT), Kolkata Bench for initiation of Corporate Insolvency Resolution Process (CIRP) in its respect. The case was admitted by NCLT and it had ordered for commencement of CIRP with effect from 7th April, 2017 and had appointed Mr. Sumit Binani as the Interim Resolution Professional for the Company. The powers of the Board of Directors were suspended and such powers vested with the Interim Resolution Professional in terms of the provisions of the Code.

The NCLT also provided for a moratorium with effect from 7th April, 2017 till the completion of the CIRP process or until it approves the resolution plan under Sec 31(1) of the Code or passes an order for liquidation of the Company under Sec 33 of the Code, whichever is earlier. CIRP is currently under process.

Pursuant to the order of the NCLT, a public announcement was made on 10th April, 2017 and a Committee of Creditors (CoC) was formed under Sec 21 of the Code. The CoC held their first meeting on 5th May, 2017 and approved appointment of Interim Resolution Professional, Mr. Sumit Binani, as the Resolution Professional.

Under the current CIRP, a resolution plan needs to be prepared and approved by the CoC and thereafter will need to be approved by the NCLT to keep the Corporate Debtor i.e the Company as a going concern. Currently, the resolution plan is under formulation and yet to be presented for approval of the CoC, hence the financial statements of the Company are continued to be prepared on going concern basis.

The Financial Statements of the Company for the year ended 31st March, 2017 have been audited by the Statutory Auditors of the Company.

34 Contingent liabilities not provided for in respect of:

	As at 31st March'2017	As at 31st March'2016
i Letter of Credits outstanding for purchase of materials.	-	1.04
ii Outstanding Bank Guarantees and Counter / Corporate Guarantees given on behalf of companies.	2,622.95	2,695.00
iii Capital commitments	73.26	71.49
iv Bills discounted under letter of credit with banks	-	8.24
v Duty on account of Advance Authorisation against Export obligation.	4.87	4.87
vi On Balance Sheet date, the disputed amount involved in ten income-tax demands(Previous year eight) under appeal (The management is of view that the outcome of the appeal would be favourable to the company, hence no provision has been made against these income-tax demands.)	157.43	41.65
vii Demand raised by the Central Excise department, against which company has filed an appeal to the jurisdiction authorities.	8.49	3.56
viii Demand raised by the Service tax department, against which company has filed an appeal to the jurisdiction authorities.	7.49	5.72
ix Demand raised by the Custom department, against which company has filed an appeal to the jurisdiction authorities.	12.64	7.03

35 i) During 2007, the company and Armada (Singapore) Pte Ltd ("Armada") had entered into a five year charter party agreement for chartering of vessels. During 2009 Armada had entered into Judicial Management, a Singaporean insolvency regime. Hence, the company did not make further nominations as there was no security for Armada's performance for the balance period under the Agreement.

During 2010, Armada commenced an arbitration proceeding against the Company in London for the non-performance during 2009 and 2010. The Tribunal passed an Award in favour of Armada assessing the liability of the Company for US\$ 7.80 million (Rs. 51.17 cr) plus interest w.e.f. 5th April, 2012("Third Award"), ignoring the fact that tribunal was not constituted as per the terms of the contract and as such had no jurisdiction to adjudicate the matter. The company has challenged the constitution of the Tribunal before the Calcutta High Court and the same is sub-judice before the same court.

Aggrieved by the aforesaid Award, the company has filed a civil suit against Armada in February 2012 with the Hon'ble High Court at Calcutta claiming for damages for an amount of Rs 144 crores and cancellation of the aforesaid Award and restraining Armada from giving any effect to the Award. An interim order was passed by the Hon'ble High Court of Calcutta restraining Armada to take any further steps to enforce the Award passed by the Tribunal in India. However, the said petition has been dismissed by the Ld. Single Judge in November 2016 and an appeal has been filed against such order of dismissal which is presently sub-judice.

During 2012, Armada filed its claim for the year 2011 before the same Arbitral Tribunal in London which passed a further Award assessing the liability of the Company for US\$ 4.67 million (Rs. 30.64 cr) plus interest w.e.f. 30th November, 2012 ("Fourth Award"), ignoring the fact that tribunal was not constituted as per the terms of the contract and as such had no jurisdiction to adjudicate the matter. A petition was filed in High Court at Calcutta against the said Award of the Arbitral Tribunal for its cancellation. However, the said petition, has been dismissed by the Ld. Single Judge.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

Further during 2012, the Company sought Armada's performance under the agreement for the year 2012. Armada's failure to perform was taken as repudiation of the agreement and the same terminated by the Company. In spite of this, Armada filed another claim in March 2013 for the year 2012 before a newly constituted Arbitral Tribunal. The company had filed a counter claim and opposed the claim of Armada. The Tribunal issued Awards in favour of Armada for US\$ 1.15 million (Rs. 7.54 cr) plus interest ("Fifth Award"). A petition has been filed by the Company in High Court at Calcutta against the said Awards and the same is presently sub-judice before the said court.

In May 2012 based on the Tribunal's Awards Armada has obtained through the Federal Court of Australia, New South Wales a freezing order of the assets held by GNCL in Australia and the Court has appointed receivers on the shares held by the company in Wollongong Coal Limited (formerly Gujarat NRE Coking Coal Ltd.) (WLC) and Gujarat NRE Pty Limited (GNL).

Armada has filed three separate execution petitions before the Hon'ble High Court at Calcutta with respect to Third, Fourth and Fifth Awards of the Arbitral Tribunal concealing material facts and details of the aforesaid legal proceedings in Australia. In the execution petitions w.r.t the Fourth and Fifth Awards of the Tribunal the Ld. Single bench has appointed Joint Receivers over the land and building of the company to the extent of a valuation of Rs. 60 crores.

Since all the lands and buildings of the company are charged in favour of the lenders the company had preferred an appeal against the said order and the appeal court has directed the Joint Receivers to ascertain whether the property identified for sale is charged to any bank or financial institution and in the event it is found to be charged, the sale will not proceed without further orders from the Ld. single Judge.

However, the receivers without verifying the charge documents have requested Armada to make necessary arrangement and take necessary steps for the Joint Receivers to take symbolic possession of the lands and buildings of the company. On 16.2.2017 the Joint Receivers visited the Bhachau Plant of the company for taking symbolic possession.

The matter is presently sub-judice before the said Ld. Single Judge.

- ii) In September 2011, the Company and Coeclerici Asia (Pte) Ltd. ("Coeclerici") entered into an agreement for sale of met coke by 31st March 2012 against advance payment of USD 10 million by Coeclerici, at a price to be mutually agreed. Sluggish market conditions, and no mutual agreement on price, lead to no cargo being supplied by 31st March, 2012 and the entire advance of USD 10 million was required to be refunded to Coeclerici. On or about August 2012, Coeclerici initiated arbitration proceedings in London. The Tribunal passed its order on 14th February, 2013 against the Company for an amount of US\$ 8.5 million (equivalent to Rs. 55.76 cr) and interest. The Company has repaid US\$ 3.2 million during the period June '2012 to Sept'2013.

Thereafter Coeclerici had approached the Australian Court to enforce the Tribunal order and the Court has appointed a receiver to the shares held by the company in Wollongong Coal Limited (formerly Gujarat NRE Coking Coal Ltd.) (WLC) and Gujarat NRE Pty Ltd (GNL) and the shares held by Mr. Arun Kumar Jagatramka in WLC. The receivers took control over the 86,092,966 shares held by the company in WLC and have been selling them on Australian Stock Exchange. As on 22nd December 2016 48,716,492 shares out of 86,092,966 shares of WLC have been sold by the receivers and as on 7th August 2015 an amount of US\$ 786,000 have been realized by the receivers.

The company has filed a Petition against Coeclerici before the Hon'ble High Court at Calcutta on 3rd March, 2015 under section 34 of The Arbitration and Conciliation Act, 1996 to set aside the order dated 14th February, 2013 passed by the Learned Arbitral Tribunal. The award was passed ignoring the compliance with Reserve Bank guidelines and as such being against public policy in India. The matter is sub-judice before the Hon'ble High Court at Calcutta and the management is confident of a favourable outcome.

Further, on or around June 2015 Coeclerici had filed a winding-up petition against the company for an amount of US\$ 8.56 million. The company is strongly contesting the same and accordingly, have filed a suit against Coeclerici before the Hon'ble High Court at Calcutta on 16th October 2015 claiming a setoff against the claim of Coeclerici in their winding-up petition and a cross claim for an amount of US\$ 2.43 million (equivalent to Rs 15.94 crores). Coeclerici has filed a written statement against the setoff suit. The matter is sub-judice before the Hon'ble High Court at Calcutta and the management is confident of a favourable outcome.

- iii) The Company had entered into a Time Charter Agreement on January 29, 2008 with Gregarious Estates Incorporated ("Gregarious" or "Owners"), for hire of a vessel for a period of 82 to 86 months. As Gregarious failed to provide the Company with a notice for a change in its management of Gregarious, and also did not provide the calculations for ascertaining super profits, the Company, contended that the said Agreement was illegal, null and void. Accordingly the Company did not take delivery of the vessel.

Gregarious on 18th February, 2013 initiated arbitration proceedings in London against the Company for a claim of US\$ 38.94 million and obtained an order on 30th June 2014 for US\$ 36.34 million (Rs. 238.39 cr) plus interest.

The Company has filed an application under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court at Calcutta to set aside the order of the Tribunal. The matter is presently sub-judice before the Hon'ble High Court at Calcutta. The management is fully confident of successfully resisting enforcement of this award in India.

- iv) During November 2014, Wollongong Coal Ltd (WLC) and Wongawilli Coal Pty Ltd. (WCPL) have filed a Summons and a Commercial List Statement before the Supreme Court of New South Wales, Australia against the Company alleging non-payment by defendant against supply of coking coal by WLC and WCPL under coal purchase agreements and claimed an amount of US\$ 54.26 million (Rs. 355.95 cr) from the Company. The Company has filed a Notice of Appearance and Commercial List Response on 23rd March, 2015 claiming set off of the aforesaid claim against (i) Unwashed coal adjustment payable by WLC / WCPL for an amount of US\$ 37.26 million (Rs. 244.43 cr) and (ii) Unpaid freight payable by WLC / WCPL for an amount of US\$ 9.02 million (Rs. 59.17 cr). Further the company has also claimed a set-off for unpaid corporate guarantee commission for an amount of US\$ 42.32 million (Rs. 277.62 cr) and AU\$ 16.26 million (Rs. 81.87 cr) filed against WLC and WCPL in its Statement of Claim SC 2014/339422 joined to these proceedings.

The matter is pending before the Supreme Court of New South Wales, Australia. The management is confident of the outcome of the case in favour of the company and is expected to recover some amount from them and does not expect any liability on the Company.

- v) On 27th August, 2013 Jindal Steel and Power Ltd. (JSPL) had entered into a coal purchase agreement with Gujarat NRE Coke Ltd. (GNCL) & Gujarat NRE Mineral Resources Ltd. (GNMRL presently merged with Bharat NRE Coke Ltd.) (which was amended further on 12th September, 2013) for sale and supply of 65000 MT of washed NRE Australian hard coking coal to JSPL between 1st September, 2013 and 31st March, 2014 after washing the unwashed coking coal at the washeries of GNCL. As per the terms of the purchase agreement, JSPL had made an advance payment of Rs. 39 crores to GNCL. The advance secured by pledge of 1 crore shares of Bharat NRE Coke Ltd. each held by GNCL and GNMRL.

Subsequent to the agreement, the management control of WLC & WCPL, which was originally with GNCL, was taken over by the Jindal group and consequently, no shipment of coal was made available to GNCL and hence no supply could be made under the agreement by GNCL to JSPL. The dispute was referred to arbitration and Tribunal has passed an award in favour of JSPL. Thereafter, the company had filed an application before the Delhi High Court to set aside the Award. The said application was dismissed by the Delhi High Court vide order dated 1.2.2017 whereafter the company has preferred an appeal before Hon'ble Supreme Court against the said order dated 1.2.2017. The matter is presently pending before the Hon'ble Supreme Court. Meanwhile JSPL has issued a notice of demand under Rule 5 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016 to the company. The company subsequently issued a notice of dispute as a reply to the said demand notice of JSPL.

- vi) The company and Siemens Limited ("Siemens") had entered into contracts in 2008 for design, engineering, manufacture, supply and delivery at site of plant and equipment by Siemens of various structure, equipments, parts etc of electrical package and Steel Structures, Commissioning and Insurance spares of Turbine and Auxiliaries package for installation of 15MW power plants each for Phase 1 and Phase 2 at Dharwad and 15 MW power plant at Bhachau adjacent to the existing coke plants of the Company. Some disputes arose between the parties and Siemens had instituted against the company a winding-up proceeding before the Hon'ble High Court at Calcutta and an arbitration proceeding before an arbitral tribunal. The matters are presently pending and the management does not envisage any material impact on its operation / performance out of these proceedings.

- vii) On 11th January 2016 National Pension System (NPS) Trust has filed a winding-up petition against the company before the Hon'ble High Court at Calcutta claiming Rs. 16.72 crores plus interest for non-payment of principal and interest amount of matured debentures of the company purchased by NPS from secondary market. The matter is presently pending before the said Hon'ble Court.

- viii) On 21.3.16 a petition was filed by SEBI against the company, its directors and office bearer before 5th Special Court, Calcutta for non-payment of dividend for the year 2011-12.

On 30.6.16 GNCL had filed an application before the Hon'ble High Court at Calcutta for quashing of the petition filed by SEBI before 5th Special Court. On 20.1.17 the Hon'ble High Court at Calcutta granted an interim stay on the proceedings of 5th Special Court for eight weeks (i.e. till 30.6.17) or until further orders, whichever is earlier.

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

36	Earning in Foreign Exchange:	For the year ended 31.03.2017	For the year ended 31.03.2016
	- Guarantee Commission	-	71.72
37	Value of Imports on CIF basis in respect of:	For the year ended 31.03.2017	For the year ended 31.03.2016
	Raw Materials		
	- Coking Coal	75.98	240.91
	- M.S.Scrap	1.42	29.09
	Capital Goods	77.40	270.00
38	Expenditure in foreign currency:	For the year ended 31.03.2017	For the year ended 31.03.2016
	- Travelling	0.51	0.28
	- Interest	8.80	8.38
	- Professional & Consultancy Fees	1.94	2.38
39	i) The company uses forward contracts to hedge its risks associated with foreign currencies relating to foreign currency liabilities. The company does not use forward contracts for speculative purpose		
		As at 31st March'2017	As at 31st March'2016
	a) Forward Contracts outstanding for hedging currency risks		
	- Loans	-	-
	- Payable	-	32.35
	b) Foreign Currency Exposures that have not been hedged		
	- Loans including accrued interest	233.53	233.53
	- Payable	9.04	22.09
	- Receivable	289.90	289.90
	ii) Exchange difference Gain/ (Loss) of Rs.Nil Crores (Previous Year Rs.0.29 Crores) in respect of unexpired period of forward cover contracts will be recognised in the Statement of Profit & Loss in subsequent year.		
40	Related Party Disclosures as per IndAS 24 are given below:		
	A. Particulars of the Related Parties:		
	Subsidiary Companies		
	Wholly Owned		
	i Hunter Valley Coal Pvt. Ltd.	ii	Manor Dealcom Pvt. Ltd.
	Associates		
	i Bulli Coke Ltd.	viii	Madhur Coal Mining Pvt Ltd
	ii Bhachau Traders Pvt. Ltd	ix	Mahanidhi Vyapaar Pvt. Ltd.
	iii Critical Mass Multilink Ltd	x	Mangal Crystal Coke Pvt. Ltd
	iv Gaurav Vinimay Pvt. Ltd.	xi	Newage Vinimay Pvt Ltd
	v Gujarat NRE Pty Limited, (an australian Company)	xii	Russel Vale Traders Pvt. Ltd.
	vi Khambhalia Traders Pvt. Ltd.	xiii	Wonga Traders Pvt. Ltd.
	vii Gujarat NRE Energy Resources Ltd.		
	Enterprises in which key management personnel have significant influence		
	i Bharat NRE Coke Ltd.	iii	Lunva Traders Pvt. Ltd.
	ii Dharwad Traders Pvt. Ltd.	iv	Gouriputra Consultants Pvt Ltd
	Enterprise in which key management person is a trustee		
	Girdharilal Arun Kumar Family Trust		
	B. Key Management Personnel		
	i Mr. A. K. Jagatramka	- Chairman & Managing Director	
	ii Mr. Nitin Daga	- Chief Financial Officer (w.e.f September 2016)	
	iii Mr. Pawan K Agrawal	- Chief Commercial Officer	
	iv Mr. Sunil Kumar Maskara	- Chief Operating Officer	
	v Mr. Mukund Chandak	- Company Secretary	
	Relatives of Key Management Personnel		
	i Mrs. Mona Jagatramka	- Director	
	ii Ms. Kavita Jagatramka	- Senior Vice President	
	iii Ms. Tanvee Jagatramka	- Chief Brand Officer	
	iv Mr. Ayush Jagatramka	- Assistant Vice President	

Notes to Financial Statements for the year ended 31st March, 2017 (contd.)

C Transaction with Related Parties

S.N	Particulars of Transactions	Current Year	Previous Year
i	Sale of Goods /Services		
	- Enterprises in which key management person has significant influence	37.99	-
ii	Purchase of Goods /Services		
	- Enterprises in which key management person has significant influence	15.15	40.05
iii	Remuneration		
	- Key Management Personnel	2.26	2.72
	- Relatives of Key Management Personnel	0.36	0.27
iv	Investment		
	- Associates	-	563.76
v	Sale of Securities		
	- Subsidiaries	-	279.26
vi	Purchase of Securities		
	- Subsidiaries	-	1.93
vii	Shares Alloted		
	- Associates	-	64.32
	- Enterprises in which key management person has significant influence	30.00	-
viii	Share Warrant Deposit		
	Received/(Adjusted) against Allotment of Shares		
	- Associates	-	20.10
	- Enterprises in which key management person has significant influence	-	22.50
ix	Rent Paid		
	- Key Management persons	0.08	0.08
	- Enterprises in which key management person is a trustee	1.22	1.31
	- Enterprises in which key management person has significant influence	0.11	-
x	Loans / Advance Given/(Received)		
	- Associates	-	2.00
xi	Guarantees/Collateral Securities Outstanding as at the Year end		
	- Given on behalf of Associates	65.60	66.33
	- Given on behalf of Enterprises in which Key Management Personnel has significant influence	86.54	101.11
	- Given by Associates (By way of pledge of Shares)	-	10.00
	- Given by Associates on behalf of the Company	} 2,941.58 #	2,915.31#
	- Given by Key Management Personnel on behalf of the Company		
	- Given by Enterprises in which key management person has significant influence		

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

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

	As at 31st March'2017	As at 31st March'2016
Due from Related Parties (included in loans & advances and sundry debtors)		
Subsidiaries		
- included in Loans & Advances	277.33	277.33
Due to Related Parties (included in current liabilities)		
- Associates	-	2.00
- Enterprises in which key management person has significant influence	-	4.93

41 Particulars of Balances with Non-Scheduled banks :

	Balance as on		Maximum as on	
	31st March 2017	31st March 2016	Current Year	Previous Year
In current Account*				
a) ICICI Bank UK PLC, London Branch	0.05	0.05	0.05	0.05
b) SBI Sydney Branch	0.06	0.06	0.06	0.06
c) SBI New York Branch	0.02	0.02	0.02	0.02

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

42 The indicators of impairment listed in IndAS 36 "Impairment of assets" have been examined by the management and on such examination, it has been found that none of the indicators are present in the case of the Company's assets. A formal estimate of the recoverable amount has not been made, as there is no indication of a potential impairment loss.

Notes to Financial Statements for the year ended 31st March, 2017 *(contd.)*

43 There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March 2017.

44 DISCLOSURE IN RESPECT OF SPECIFIED BANK NOTES HELD AND TRANSACTED

Particulars	Specified Bank Notes (SBNs)	Other denomination notes & Coins	Total (Rs.)
Closing cash in hand as on 08.11.2016	0.11	0.02	0.13
Add: Permitted receipts	-	0.13	0.13
Less: Permitted payments	-	0.11	0.11
Less: Amount deposited in Banks	0.11	-	0.11
Closing cash in hand as on 30.12.2016	-	0.04	0.04

45 Remittance in Foreign Currency on account of Dividend:

The Company has paid dividend in respect of shares held by Non-resident on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External Account (NRE A/c). The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remitted in this respect is given herein below:

	For the year ended 31.03.2017	For the year ended 31.03.2016
Number of Non-Resident Shareholders	N.A	N.A
Number of Equity & "B" Equity Shares held by them	N.A	N.A
(i) Amount of Dividend Paid (Gross)	N.A	N.A
Tax deducted at Source	N.A	N.A
(ii) Year to which dividend relates	N.A	N.A

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

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI.**
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

FORM NO. AOC-1
(Pursuant to the first provision to sub-section 3 of Section 129, read with Rule 5 of Companies (Accounts) Rules, 2014)
Saileent Features of Financial Statements of Subsidiary/Associates/Joint Ventures as per Companies Act, 2013

Part A - Subsidiaries

Sl No	Name of the Subsidiary(ies)	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Turnover/ Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	Huntervalley Coal Private Limited	INR	2.51	245.82	387.00	138.66	0.01	-	-	-	-	100%
2	Manor Dealcom Private Limited	INR	2.36	232.06	373.09	138.67	0.01	-	-	-	-	100%

(Rs. In Crore)

Part B - Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No	Name of Associate(s)/ Joint Ventures	Shares of Associate/Joint Ventures held by the Company on the year end				Profit/Loss for the year						
		Latest audited Balance Sheet Date	No. Shares	Amount of Investment in Associates/ Joint Ventures (Rs. In crores)	Extend of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. In crores)	Considered in Consolidation (Rs. in Crores)	Not Considered in Consolidation	Description of how there is significant influence	Reason why the associate(s)/joint venture is not consolidated		
Associates												
1	Bulll Coke Ltd.	31.03.2017	18,855,500	78.59	47.38%	107.44	-	-	Note - A	-	-	-
2	Bhachau Traders Pvt Ltd	31.03.2017	8,441,000	76.81	46.37%	54.10	0.04	-	Note - A	-	-	-
3	Critical Mass MultiLink Ltd	31.03.2017	17,605,000	133.08	46.40%	164.53	(1.10)	-	Note - A	-	-	-
4	Gaurav Vinimay Pvt. Ltd.	31.03.2017	20,118,500	151.39	47.36%	172.16	-	-	Note - A	-	-	-
5	Gujarat NRE Energy Resources Ltd.	31.03.2017	19,937,500	134.81	48.34%	179.01	-	-	Note - A	-	-	-
6	Khambhalia Traders Pvt Ltd	31.03.2017	8,554,100	68.43	47.16%	54.64	-	-	Note - A	-	-	-
7	Madhur Coal Mining Pvt Ltd	31.03.2017	20,112,200	124.30	46.45%	165.10	-	-	Note - A	-	-	-
8	Mahanidhi Vyapaar Pvt. Ltd.	31.03.2017	12,648,000	110.44	47.11%	80.84	-	-	Note - A	-	-	-
9	Mangal Crystal Coke Pvt Ltd	31.03.2017	13,948,000	133.90	45.64%	114.74	-	-	Note - A	-	-	-
10	Newage Vinimay Pvt Ltd	31.03.2017	20,289,750	155.28	47.58%	173.47	(0.22)	-	Note - A	-	-	-
11	Russel Vale Traders Pvt. Ltd.	31.03.2017	7,343,000	67.81	45.94%	70.89	-	-	Note - A	-	-	-
12	Wonga Traders Pvt. Ltd.	31.03.2017	11,683,000	88.92	45.62%	74.18	-	-	Note - A	-	-	-
13	Gujarat NRE Pty Limited	Not Available	106,268,690	370.88	33.44%	20.97	(56.67)	-	Note - A	-	-	-

Note:

- A. There is significant influence due to percentage (%) of Share Capital
 B. The figures pertaining to Gujarat NRE Pty Ltd. are as per the Management Approved Financial Statements as on 31.03.2017

For NANDY HALDER & GANGULI.

Chartered Accountants
 (Firm Registration No. 302017E)

R P Nandy

Partner
 Membership No. 051027
 Place : Kolkata
 Dated : 30th May 2017.

A K Jagatramka
 Chairman &
 Managing Director

M Jagatramka
 Director

Nitin Daga
 Chief Financial Officer

Mukund Chandak
 Company Secretary

Independent Auditors' Report on Consolidated IndAS Financial Statements

To the Members of
Gujarat NRE Coke Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Gujarat NRE Coke Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the Group"), which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

Basis of Qualified Opinion

The company has incurred a net loss during the year ended March 31, 2017 and the current liabilities of the company as on 31.03.2017 are more than its current assets.

The company has filed petition before the National Company Law Tribunal (NCLT), Kolkata Bench u/s 10(1) of the Insolvency and Bankruptcy Code, 2016 to initiate corporate insolvency resolution process on the basis of resolution passed by the Board of Directors on 21.03.2017 to this effect. The application for initiation of corporate insolvency resolution process has been admitted along with the proposal appointing an Interim Resolution Professional (IRP) by the NCLT, Kolkata vide order dated 07.04.2017. Further Mr. Sumit Binani was confirmed as the Resolution Professional by the Committee of Creditors (CoC) at their meeting held on 5th May, 2017.

This condition indicates the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern in the absence of any financial support from the Promoters and Bankers. However, the financial statements of the company have been prepared on a going concern basis.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

The statement of financial results includes the Group's share of profit after tax of Rs. (56.64) crores for the year ended 31st March, 2017 in respect of an Australian associate (Gujarat NRE Pty Limited) based on its unaudited management approved financial statements. Our opinion on this statement, in so far as it relates to the amounts and disclosures included in respect of such associate is solely based on such unaudited financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 35 to the consolidated Ind AS financial statements;
 - ii. provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts. Refer Note 39 to the consolidated financial statements;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India; and
 - iv. The group has provided requisite disclosures in the financial statements as regards holding and dealings in Specified Bank Notes as defined in notification SO 3407(E) dated 8th November, 2016 of the Ministry of Finance in respect of the holding company and its subsidiaries incorporated in India, during the period from 8th November, 2016 to 30th December, 2016; and such disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note 46 to the consolidated Ind AS financial statements.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

R. P. NANDY
Partner

Kolkata

Annexure A to Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Gujarat NRE Coke Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **NANDY HALDER & GANGULI**
Chartered Accountants
(Firm Registration No. 302017E)

Kolkata
30th May, 2017

R. P. NANDY
Partner
Membership No. 051027

GUJARAT NRE COKE LIMITED

Consolidated Balance Sheet As at 31st March, 2017

		(Rs. in Crores)		
	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	4	914.63	973.66	1,036.34
Capital Work-in-Progress	4	233.38	211.78	204.56
Goodwill	4	75.45	75.44	203.19
Financial Assets				
Investment	5	1,445.83	1,502.50	775.21
Other Financial Assets	9	79.79	79.33	74.38
Deferred Tax Assets (net)	10	522.56	522.56	173.31
Other Non-Current Assets	11	1.32	1.71	2.27
		<u>3,272.96</u>	<u>3,366.98</u>	<u>2,469.26</u>
Current Assets				
Inventories	12	220.45	333.76	1,186.40
Financial Assets				
Investment	13	-	-	4.61
Trade Receivables	14	43.38	93.71	359.90
Cash & Cash equivalents	15	10.94	9.84	7.03
Other Financial Assets	16	413.95	440.15	844.77
		<u>688.72</u>	<u>877.46</u>	<u>2,402.71</u>
	TOTAL ASSETS	<u><u>3,961.68</u></u>	<u><u>4,244.44</u></u>	<u><u>4,871.97</u></u>
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	17	1,657.04	1,607.57	1,046.52
Other Equity	17	(1,401.83)	(675.97)	132.00
Money received against Share Warrants		-	30.00	33.98
		<u>255.21</u>	<u>961.60</u>	<u>1,212.50</u>
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	18	1,551.15	1,728.78	2,087.76
Provisions	19	15.20	14.96	8.15
		<u>1,566.35</u>	<u>1,743.74</u>	<u>2,095.91</u>
Current Liabilities				
Financial Liabilities				
Borrowings	20	1,118.58	954.02	736.82
Trade Payables	21	168.77	162.69	427.54
Other Financial Liabilities	22	849.99	419.74	387.38
Provisions	23	2.78	2.65	11.82
		<u>2,140.12</u>	<u>1,539.10</u>	<u>1,563.56</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>3,961.68</u></u>	<u><u>4,244.44</u></u>	<u><u>4,871.97</u></u>

Significant Accounting Policies & Notes on Financial Statements forming part of the Consolidated Financial Statements 1 to 47

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI.**
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Consolidated Statement of Profit & Loss For the year ended 31st March, 2017

(Rs. in Crores)

	Notes	For the year ended 31.03.2017	For the year ended 31.03.2016
INCOME			
Revenue from Operations	24	541.21	747.44
Other Income	25	5.19	88.73
Total Income:		546.40	836.17
EXPENDITURE			
Cost of Materials Consumed	26	456.75	247.83
Purchase of Stock-in-Trade		-	524.91
Changes in Inventories of Finished Goods, Stock-in-Process and Stock in Trade	27	132.92	732.60
Excise Duty	24	39.04	15.97
Employees Benefits Expenses	28	33.53	33.53
Finance Costs	29	393.90	293.55
Depreciation	4	59.81	64.90
Other Expenses	30	106.26	98.55
Total Expenses:		1,222.21	2,011.84
Profit/(Loss) before Extraordinary Items, Share of net profit of investment accounted for using equity method & Tax		(675.81)	(1,175.67)
Share of net profit of Associates accounted for using equity method		(57.93)	(8.46)
Profit/(Loss) before Extraordinary Items & Tax		(733.74)	(1,184.13)
Extraordinary Items		-	33.19
Profit/(Loss) Before Tax		(733.74)	(1,217.32)
Tax Expenses	10		
Current Tax		-	-
Deferred Tax		-	(391.82)
Tax for Earlier Years		-	2.31
Profit for the year		(733.74)	(827.81)
Other Comprehensive Income/(Loss) (net of Tax)			
Items that will not be reclassified to profit or loss			
- Actuarial Gain		(0.15)	(0.26)
- Equity instruments through other comprehensive Income		1.25	0.67
Income Tax relating to Items that will not be reclassified to profit or loss			
Items that will be reclassified to profit or loss			
Other Comprehensive Income/(Loss)		1.10	0.41
Total Comprehensive Income/(Loss)		(732.64)	(827.40)
Profit attributable to:			
Shareholders		(733.74)	(827.81)
Non-controlling interests		-	-
		(733.74)	(827.81)
Other Comprehensive Income attributable to:			
Shareholders		1.10	0.41
Non-controlling interests		-	-
		(732.64)	0.41
Total Comprehensive Income attributable to:			
Shareholders		(732.64)	(827.40)
Non-controlling interests		-	-
		(732.64)	(827.40)
Basic Earnings per Equity & "B" Equity Share (in Rs.) [Face Value Rs. 10 per shares]		(4.44)	(7.13)
Diluted Earnings per Equity & "B" Equity Share [Face Value Rs. 10 per shares]		(4.44)	(7.13)

Significant Accounting Policies & Notes on Financial Statements forming part of the Consolidated Financial Statements 1 to 47

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2017

	For the Year ended 31-Mar-2017	(Rs. in crores) For the Year ended 31-Mar-2016
A Cash Flow from Operative Activities		
Net Profit Before Tax	(733.75)	(1,217.31)
Adjustments for:		
Share of net profit / (Loss) of Associates accounted for using equity method	57.93	8.46
Depreciation / Other non cash items	59.82	78.58
Finance Charges Paid	393.89	293.54
Other Income	-	(87.22)
Loss/(Profit) on Sale / Discard of Assets	0.04	1.20
Loss/(Profit) on Sale/Valuation of Investment	(0.01)	(0.11)
Employee Stock Option - Compensation	0.24	(0.74)
Interest Received / Receivable	(0.64)	(1.40)
Operating Profit before working Capital Changes	(222.48)	(925.00)
Adjustments for:		
Trade & Other Receivables	74.94	743.34
Inventories	113.31	852.64
Trade Payables	(79.70)	(336.65)
Cash Generated from Operations	(113.93)	334.33
Direct Taxes Paid / Refunds	(0.15)	(2.52)
 CASH GENERATED FROM OPERATING ACTIVITIES	 (114.08)	 331.81
 B Cash Flow from Investing Activities		
Addition to Property, Plant and Equipments	(21.94)	(17.53)
Sale of Property, Plant and Equipments	0.04	129.27
Addition to Non- Current Investments	(0.12)	(400.37)
Sale of Non- Current Investments	0.12	-
Interest Received	0.64	1.40
Dividend / Misc Income	-	-
 NET CASH USED IN INVESTING ACTIVITIES	 (21.26)	 (287.23)
 C Cash Flow from financing activities		
Net Proceeds to Share Capital / Reserves	-	292.52
Deposit against Share Warrant	-	6.42
Advance against Share Warrant/ Share Application Money	-	26.99
Increase in Long / Short term borrowing	205.59	(128.16)
Finance Charges Paid	(68.79)	(239.08)
Dividend & Dividend Tax Paid	(0.36)	(0.46)
 NET CASH GENERATED FROM FINANCING ACTIVITIES	 136.44	 (41.77)
 NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	 1.10	 2.81
 CASH & CASH EQUIVALENTS (OPENING BALANCE)	 9.84	 6.76
CASH & CASH EQUIVALENTS (OPENING BALANCE) Acquired on Amalgamation	-	0.27
CASH & CASH EQUIVALENTS (CLOSING BALANCE)*	10.94	9.84

* Includes Dividend accounts of Rs. 0.79 crores(Previous Year 1.15 Crores)

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2017

A EQUITY SHARE CAPITAL

(Rs. in Crores)

	EQUITY SHARE		"B" EQUITY SHARE		TOTAL SHARE CAPITAL	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at 1st April, 2015	689,985,035	689.99	52,488,010	52.49	742,473,045	742.48
Add: Shares allotted under scheme of amalgamation	30,40,42,725	304.04	-	-	30,40,42,725	304.04
	99,40,27,760	994.03	5,24,88,010	52.49	1,04,65,15,770	1,046.52
<i>Changes in Equity Share Capital</i>						
Preferential Shares issue to ICICI Bank	33,185,000	33.19	-	-	33,185,000	33.19
Shares issued on Conversion of Share Warrant	60,000,000	60.00	-	-	60,000,000	60.00
Preferential Shares issue under CDR to CDR Lenders	467,869,140	467.87	-	-	467,869,140	467.87
As at 31st March, 2016	1,555,081,900	1,555.09	52,488,010	52.49	1,607,569,910	1,607.58
<i>Changes in Equity Share Capital</i>						
Preferential Shares issue to ICICI Bank	24,466,745	24.47	-	-	24,466,745	24.47
Shares issued on Conversion of Share Warrant	25,000,000	25.00	-	-	25,000,000	25.00
As at 31st March, 2017	1,604,548,645	1,604.56	52,488,010	52.49	1,657,036,655	1,657.05

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption Reserves	Employees Stock Option Outstanding	Surplus from Statement of Profit & Loss	Total
Balance as at 1st April, 2015	251.25	144.87	511.80	196.57	5.35	(977.84)	132.00
Profit/(Loss) of Amalgamating Company	-	-	-	-	-	(6.60)	(6.60)
Profit/(Loss) for the year	-	-	-	-	-	(827.81)	(827.81)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	0.41	0.41
	-	-	-	-	-	(1,811.84)	(702.00)
Transfer on forfeiture of Share Warrant	-	10.40	-	-	-	-	10.40
Securities premium Received During the Year	-	-	52.51	-	-	-	52.51
Capital Reserve arising on Amalgamation	-	25.12	-	-	-	-	25.12
Deferred Tax arising on Business Combination	-	(29.71)	-	-	-	-	(29.71)
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	(0.88)	-	(0.88)
Adjustment for Option Forfeited during the year	-	-	-	-	(0.71)	-	(0.71)
Adjustment for Business Combination	-	-	-	-	-	1.20	1.20
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	-	0.46	0.46
Measuring borrowings at amortised cost	-	-	-	-	-	70.48	70.48
Measuring Investment at fair value	-	-	-	-	-	(12.47)	(12.47)
Adjustment for Deferred Tax	-	-	-	-	-	(90.37)	(90.37)
Balance as at 31st March, 2016	251.25	150.68	564.31	196.57	3.76	(1,842.54)	(675.97)
Balance as at 1st April, 2016	251.25	150.68	564.31	196.57	3.76	(1,842.54)	(675.97)
Profit/(Loss) for the year	-	-	-	-	-	(733.74)	(733.74)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	1.10	1.10
	-	-	-	-	-	(2,575.18)	(1,408.61)
Securities premium Received During the Year	-	-	7.52	-	-	-	7.52
Adjustment for Employee stock option at fair value as per Ind AS	-	-	-	-	0.12	-	0.12
Adjustment for Option Forfeited during the year	-	-	-	-	(0.86)	-	(0.86)
Balance as at 31st March, 2017	251.25	150.68	571.83	196.57	3.02	(2,575.18)	(1,401.83)

Significant Accounting Policies & Notes on Financial Statements forming part of the Consolidated Financial Statements 1 to 47

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary

Notes to Consolidated Financial Statements for the year ended 31st March, 2017

1. Company Information

Gujarat NRE Coke Limited (the Company) is a Public Limited Company domiciled in India with its registered office located at 22, Camac Street, Block-C, 5th Floor, Kolkata- 700 016. The Shares of the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Non-convertible Debentures of the company (including Debentures issued under QIP) are listed at BSE. The Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Limited (SGX).

2. Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

a) Basis of Preparation

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

These financial statements for the year ended 31st March, 2017 are the first financials with comparatives, prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2016 and the opening Balance Sheet as at 1st April, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note No.3.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

The financial statements of the Company for the year ended 31st March, 2017 were approved for issue in accordance with the resolution of the Board of Directors on 30th May, 2017.

b) Basis of measurement

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

c) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note Impairment of non-financial assets below.

2.2 Key Accounting Estimates and Judgements

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

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

2.3 Significant Accounting Policies

a) Property, Plant and Equipment's

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

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

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

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

b) Leases

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

c) Investments in subsidiaries, associates and joint ventures

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

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

The deemed cost of such an investment shall be its:

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

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

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

d) Investments

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

e) Inventories

Inventories are valued as under:

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

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

f) Business Combination

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest's method. Other business combinations, involving entities or businesses are accounted for using acquisition method.

The Company has elected not to apply IndAS 103 'Business Combinations' retrospectively to past business combinations that occurred before the transition date of April 1, 2015.

g) Financial Instruments

I) Initial recognition

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

II) Subsequent measurement:

a) Non-derivative financial instruments

i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial assets at fair value through profit or loss

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

iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

v) *Investment in subsidiaries*

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

b) *Derivative financial instruments*

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

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

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

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

ii) *Derecognition of financial instruments*

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

h) **Impairment of Assets**

i) *Financial assets*

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

ii) *Non-financial assets*

Property, plant and equipment

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

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

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

The Company makes a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are disclosed when an inflow of economic benefit is probable and/or certain.

j) **Revenue Recognition**

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

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

Under IndAS 18, Excise duty will not be netted from revenue and shown as a part of expenses. Revenue from product sales is recognized exclusive of Excise Duty, Sales Tax/Value added Tax (VAT) and net of returns, Sales Discount etc. Sales Returns are accounted for when goods are returned.

k) **Foreign Exchange Transactions**

a. *Initial Recognition*

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

b. *Conversion Foreign*

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

c. *Exchange differences*

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

l) **Borrowing Costs**

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

m) Income Taxes

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

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

n) Earnings per equity share

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

o) Employee benefits

a) Short Term & Post-Employment Benefits

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

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

b) Employee Stock Option Scheme (ESOS)

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

p) Cash Flow Statements

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

2.4 First-time adoption of IndAS

These Financial Statements of Gujarat NRE COKE Limited for the year ended March 31, 2017 and ended March 31, 2016 have been prepared in accordance with IndAS. For the purposes of transition to IndAS, the Company has followed the guidance prescribed in IndAS 101 - *First Time adoption of Indian Accounting Standard*, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to IndAS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the Financial Statements of for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to IndAS has affected the Company's Balance Sheet, Statement of Profit and Loss. Exemptions on first time adoption of IndAS availed in accordance with IndAS 101.

Exemptions availed on first time adoption of IndAS 101

IndAS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IndAS. The Company has accordingly applied the following exemptions:-

a) Share-based payment

The Company is allowed to apply IndAS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of IndAS 102 to all such options. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

The excess of stock compensation expense measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in 'Share Option Outstanding Account', with the corresponding impact taken to the retained earnings as on the transition date.

b) Designation of previously recognized financial instruments

Under IndAS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. IndAS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to IndAS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to IndAS.

c) Deemed Cost

Under IndAS 101, a first time adopter is allowed to continue with the carrying value for all of its property, plant and equipment measured as per previous GAAP and use that as deemed cost on the date of transition.

Accordingly, the company from the date of transition has adopted the deemed cost for Property, Plant and Equipment, i.e., carrying values of PPE as per the previous GAAP, is the cost and any accumulated depreciation and provision for impairment under previous GAAP.

d) Employee Benefits

IndAS 19 requires recognition of actuarial gains and losses for post-employment defined benefit plans and other long-term employment benefit plans in other comprehensive income immediately and is not reclassified to profit or loss in a subsequent period. However, a first time adopter may elect to recognize all cumulative actuarial gains and losses subsequent to the date of transition to IndAS in other comprehensive income.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

3 First Time Adoptions

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016
2. Reconciliation of Total comprehensive Income for the year ended March 31, 2016

Reconciliation of equity as previously reported under IGAAP to Ind AS

(Rs. in Crores)

DESCRIPTION	Notes	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		1,036.34	-	1,036.34	973.66	-	973.66
Capital Work-in-Progress		204.56	-	204.56	211.78	-	211.78
Goodwill		203.19	-	203.19	75.44	-	75.44
Financial Assets							
Investment		789.61	(14.40)	775.21	1,514.30	(11.80)	1,502.50
Other Financial Assets		74.38	-	74.38	79.33	-	79.33
Deferred Tax Assets (net)		249.61	(76.30)	173.31	634.82	(112.26)	522.56
Other Non-Current Assets		1.81	0.46	2.27	2.14	(0.43)	1.71
Current Assets							
Inventories		1,186.40	-	1,186.40	333.76	-	333.76
Financial Assets							
Investment		4.61	-	4.61	-	-	-
Trade Receivables		359.90	-	359.90	93.71	-	93.71
Cash & Cash equivalents		7.03	-	7.03	9.84	-	9.84
Other Financial Assets		844.77	-	844.77	440.15	-	440.15
TOTAL ASSETS		4,962.21	(90.24)	4,871.97	4,368.93	(124.49)	4,244.44
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		1,046.52	-	1,046.52	1,607.57	-	1,607.57
Other Equity		151.43	(19.43)	132.00	(601.30)	(74.67)	(675.97)
Money received against Share Warrants		33.98	-	33.98	30.00	-	30.00
LIABILITIES							
Non-Current Liabilities							
Financial Liabilities							
Borrowings		2,154.14	(66.38)	2,087.76	1,768.16	(39.38)	1,728.78
Provisions		8.15	-	8.15	14.96	-	14.96
Current Liabilities							
Financial Liabilities							
Borrowings		736.82	-	736.82	954.02	-	954.02
Trade Payables		427.54	-	427.54	162.69	-	162.69
Other Financial Liabilities		391.81	(4.43)	387.38	419.74	-	419.74
Provisions		11.82	-	11.82	13.09	(10.44)	2.65
EQUITY AND LIABILITIES		4,962.21	(90.24)	4,871.97	4,368.93	(124.49)	4,244.44

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A Business Combination

Under IndAS 103, Business Combination is in the nature of transaction under common control and the company has merged Bajrang Bali Met Coke Industries Ltd. and NRE Metcoke Ltd. effective from 01-04-2014 and has been accounted for at transition date i.e. 01.04.2015. In order to arrive at capital reserve under Ind AS, following adjustments have been considered:

- (i) Diminution in the value of investment as per report of Independent Valuation Report
- (ii) No value adjustment made to other assets and liabilities
- (iii) The carrying value of assets/liabilities are as per Ind AS

B Investment

Under the Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, investments are measured at fair value and the mark-to-market gains/ losses are recognized either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI) based on the business model test. Effect of Ind AS adoption on total comprehensive income represents the mark-to-market gains/ losses on investment.

C Employee Stock Option Plan

Under previous GAAP, the cost of options granted under the GNCL Employee Stock Option Scheme [equity - settled] was recognised using the intrinsic value method. Under this method, no expenses were recognised in the Statement of Profit and Loss as the fair value of the shares on the date of grant equalled the exercise price. Under Ind AS, the cost of options granted under GNCL ESOS is recognised based on the fair value of the options as on the grant date. In terms of the exemptions, the fair value of unvested options as at the date of transition have been accounted for as part of reserves.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

D Deferred Tax

Under Ind AS, deferred taxes are recognised relating to Ind AS adjustments including deferred taxes measured using balance sheet approach. The effect of these are reflected in total equity and profit or loss.

E Other Equity

- a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.
- b) In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.
- c) Profit on transfer of business between entities under common control which were earlier recognized in statement of profit and loss under IGAAP are adjusted to reserves on transition to Ind AS

F Borrowings

Under IndAS 109, Long term borrowing shall be accounted at armortised Cost by discounting at Effective Interest Method

Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(Rs. in Crores)

Particulars	Year ended March 31 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS
Revenue from operations	731.47	15.97	747.44
Other income, net	73.32	15.41	88.73
Total Income	804.79	31.38	836.17
Expenses			
Cost of Materials Consumed	247.83		247.83
Purchase of stock in trade	524.91		524.91
Change in Inventories Of Finished Goods, Work in Process and Stock in Trade	732.60		732.60
Excise Duty	-	15.97	15.97
Employee benefit expenses	34.23	(0.70)	33.53
Finance Costs	270.71	22.84	293.55
Depreciation and amortization	64.90		64.90
Other expenses	84.88	13.67	98.55
Total expenses	1,960.06	51.78	2,011.84
Profit/(Loss) before Extraordinary Items, Share of net profit of investment accounted for using equity method & Tax	(1,155.27)	(20.40)	(1,175.67)
Share of net profit of Associates accounted for using equity method	(8.46)		(8.46)
Profit/(Loss) before Extraordinary Items & Tax	(1,163.73)	(20.40)	(1,184.13)
Extraordinary Items	33.19		33.19
Profit/(Loss) Before Tax	(1,196.92)	(20.40)	(1,217.32)
Tax expense:			
Current tax	-		-
Tax for Earlier Years	(385.20)	(6.62)	(391.82)
Deferred tax	2.31		2.31
Profit for the period	(814.03)	(13.78)	(827.81)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial Gain	-	0.26	0.26
Equity instruments through other comprehensive Income	-	(0.67)	(0.67)
<i>Items that will be reclassified subsequently to profit or loss</i>			
Total other comprehensive income, net of tax	-	(0.41)	(0.41)
Total comprehensive income, for the period	(814.03)	(13.37)	(827.40)

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

A Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

B Day1 Gain/Loss on reclassification of Financial Liabilities

The Financial Liability i.e, Viability Gap Funding (VGF) is accounted at armortised cost under IndAS 109 and the diference between the IGAAP and IndAS is accounted as Day 1 Gain/Loss and and is charged to statement of Profit or Loss account.

C Employee Stock Option Outstanding

Under previous GAAP, the cost of options granted under the GNCL Employee Stock Option Scheme [equity - settled] was recognised using the intrinsic value method. Under this method, no expenses were recognised in the Statement of Profit and Loss as the fair value of the shares on the date of grant equalled the exercise price. Under Ind AS, the cost of options granted under GNCL ESOS is recognised based on the fair value of the options as on the grant date. In terms of the exemptions, the fair value of unvested options as at the date of transition have been accounted for as part of reserves.

D Remeasurement of Post employment obligation

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

E Deferred Tax

Under Ind AS, deferred taxes are recognised relating to Ind AS adjustments including deferred taxes measured using balance sheet approach. The effect of these are reflected in total equity and profit or loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

F Investment in Equity instrument through OCI

Under the Previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, investments are measured at fair value and the mark-to-market gains/ losses are recognized either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI) based on the business model test. Effect of Ind AS adoption on total comprehensive income represents the mark-to-market gains/ losses on investment.

G Fair Value of Derivative

Under the previous GAAP the premium or discount arising at inception of forward exchange contracts entered into an ,existing asset/liability, was amortised as expense or income over the life of the contract. Under IndAS 109, changes in fair value of derivative instruments shall be accounted for under Fair Value through Profit and Loss(FVTPL)

Note - 4 PROPERTY PLANT AND EQUIPMENT

Rs. in Crores

	Land		Buildings	Plant & Machinery	Office Equipment	Furniture & Fixture	Material Handling Equipment / Vehicles	Electrical Installation	Windmill	Total
	Freehold	Leasehold								
Gross Carrying Amount										
Deemed cost as at 1st April, 2015	98.07	8.51	216.85	632.25	2.59	3.37	28.11	28.19	488.10	1,506.06
Additions	-	-	-	4.35	0.03	-	0.54	0.02	-	4.94
Disposal	(5.80)	5.80	-	1.25	-	-	3.41	-	-	4.66
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	103.87	2.71	216.85	635.36	2.62	3.37	25.24	28.21	488.10	1,506.34
Additions	0.06	-	-	0.45	0.05	0.01	0.09	0.23	-	0.90
Disposal	-	-	-	-	-	-	0.98	-	-	0.98
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	103.93	2.71	216.85	635.81	2.67	3.38	24.35	28.44	488.10	1,506.26
Accumulated Depreciation										
Balance as at 1st April, 2015	-	-	37.31	207.95	2.22	2.37	20.53	15.83	183.51	469.71
Additions	-	-	10.52	28.15	0.18	0.34	1.50	5.02	19.19	64.90
Disposal	-	-	-	0.41	-	-	1.52	-	-	1.93
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	-	-	47.83	235.69	2.40	2.71	20.51	20.85	202.70	532.68
Additions	-	-	9.52	28.22	0.09	0.16	1.19	1.45	19.19	59.81
Disposal	-	-	-	-	-	-	0.87	-	-	0.87
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	-	57.35	263.91	2.49	2.86	20.83	22.30	221.89	591.63
Net Carrying Amount										
Balance as at 1st April, 2015	98.07	8.51	179.54	424.30	0.37	1.00	7.59	12.36	304.59	1,036.34
Balance as at 31st March, 2016	103.87	2.71	169.02	399.67	0.22	0.66	4.73	7.36	285.40	973.66
Balance as at 31st March, 2017	103.93	2.71	159.50	371.90	0.18	0.52	3.51	6.14	266.21	914.63

Note - 4 (B) Capital Work In Progress

Rs. in Crores

1st April, 2015	204.41
31st March, 2016	211.78
31st March, 2017	233.38

Note - 4 (C) Goodwill

Rs. in Crores

Balance as at 1st April, 2015	203.19
Less: Deduction during the year	127.75
31st March, 2016	75.44
31st March, 2017	75.45

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

5 NON-CURRENT INVESTMENTS

Description	Face Value (Rs)	No. of Shares*	As at 31st March, 2017	No. of Shares*	As at 31st March, 2016	No. of Shares*	As at 1st April, 2015
a) Fair Value through other comprehensive Income							
Quoted (Equity)							
Indian							
Shah Alloys Ltd	10	969,769	7.34	969,769	7.34	969,769	7.34
Sal Steel Ltd.	10	2,737,682	6.14	2,737,682	6.14	2,737,682	6.14
Aggregate Book Value of Quoted Investments (Equity)			13.48		13.48		13.48
Less: Provision for Diminution in Value of Investment			10.55		11.80		12.47
Aggregate Market Value of Quoted Investments (Equity)			2.93		1.68		1.01
b) Investment Accounted for using Equity Method							
Unquoted (Equity)							
In Associates Companies			1,432.06		1,489.98		763.36
c) Investment in Others							
Unquoted (Equity)							
Indian							
In a Company			10.84		10.84		10.84
Aggregate Book Value of Unquoted Investments (Equity)			1,442.90		1,500.82		774.20
Total Investments (At cost)			1,445.83		1,502.50		775.21
Market value of Quoted Investments (Equity)			2.93		1.68		1.01

*Investment in Indian company equity shares are fully paid up

** Refer Note No. 2.3(c&d) for mode of valuation

6 Fair Value Measurement

Financial Instruments by Category and hierarchy

The Company uses following hierarchy for determining and disclosing the fair value of Financial Instruments by Valuation Technique

Level 1: Quoted (Unadjusted) Prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have significant effect on the recorded fair value are observable either directly or indirectly

Level 3: Techniques which use inputs have a significant effect on the recorded fair value that are not based on observable market data

Financial Assets and Liabilities as at 31st March 2017

	Non Current			Current			Fair Value Through Profit and Loss				Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total				
Financial Assets																			
Investments																			
Quoted Equity Instruments	2.93	-	2.93	-	-	-	-	2.93	-	-	2.93	-	-	-	-	-	2.93		
Equity Instruments in Subsidiary	482.65	-	482.65	-	-	-	-	-	-	-	-	-	-	482.65	482.65	-	482.65		
Equity Instruments in Associates	574.59	-	574.59	-	-	-	-	-	-	-	-	-	-	574.59	574.59	-	574.59		
Equity Instruments in Foreign Subsidiary	370.88	-	370.88	-	-	-	-	-	-	-	-	-	-	370.88	370.88	-	370.88		
	1,431.05	-	1,431.05	-	-	-	-	2.93	-	-	2.93	-	-	1,428.12	1,428.12	-	1,431.05		
Other Financial Assets																			
Capital Advance	6.84	-	6.84	-	-	-	-	-	-	-	-	-	-	6.84	6.84	-	6.84		
Deposits With Govt. Authorities & Others	2.40	-	2.40	-	-	-	-	-	-	-	-	-	-	2.40	2.40	-	2.40		
Deferred Employee Compensation Under ESOS	1.32	-	1.32	-	1.32	-	1.32	-	-	-	-	-	-	-	-	-	1.32		
Advances recoverable in cash or in kind	-	691.17	691.17	-	-	-	-	-	-	-	-	-	-	691.17	691.17	-	691.17		
Trade Receivable	-	43.38	43.38	-	-	-	-	-	-	-	-	-	-	43.38	43.38	-	43.38		
Cash and Cash Equivalents	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-	0.05	0.05	-	0.05		
Bank Balance	-	10.81	10.81	-	-	-	-	-	-	-	-	-	-	10.81	10.81	-	10.81		
	10.56	745.41	755.97	-	1.32	-	1.32	-	-	-	-	-	-	754.65	754.65	-	755.97		
Financial Liabilities																			
Borrowings	1,551.15	411.90	1,963.05	-	-	-	-	-	-	-	-	-	-	1,963.05	1,963.05	-	1,963.05		
Trade Payables	-	168.77	168.77	-	-	-	-	-	-	-	-	-	-	168.77	168.77	-	168.77		
Other Financial Liabilities	-	438.08	438.08	-	-	-	-	-	-	-	-	-	-	438.08	438.08	-	438.08		
	1,551.15	1,018.45	2,569.90	-	-	-	-	-	-	-	-	-	-	2,569.90	2,569.90	-	2,569.90		

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

6 Fair Value Measurement (Contd.)

Financial Instruments by Category and hierarchy (Contd.)

Financial Assets and Liabilities as at 31st March 2016	Fair Value Through Profit and Loss			Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount	
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Investments													
Quoted Equity Instruments	1.68	-	1.68	-	-	-	-	1.68	-	-	-	-	1.68
Equity Instruments in associates	1,489.98	-	1,489.98	-	-	-	-	-	-	-	1,489.98	1,489.98	1,489.98
Equity Instruments in Others	10.84	-	10.84	-	-	-	-	-	-	-	10.84	10.84	10.84
	<u>1,502.50</u>	<u>-</u>	<u>1,502.50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.68</u>	<u>-</u>	<u>-</u>	<u>1,500.82</u>	<u>1,500.82</u>	<u>1,502.50</u>
Other Financial Assets													
Capital Advance	6.80	-	6.80	-	-	-	-	-	-	-	6.80	6.80	6.80
Deposits With Govt. Authorities & Others	2.06	-	2.06	-	-	-	-	-	-	-	2.06	2.06	2.06
Deferred Employee Compensation Under ESOS	1.70	-	1.70	-	1.70	-	1.70	-	-	-	-	-	1.70
Advances recoverable in cash or in kind	-	440.12	440.12	-	-	-	-	-	-	-	440.12	440.12	440.12
Trade Receivable	-	93.71	93.71	-	-	-	-	-	-	-	93.71	93.71	93.71
Cash and Cash Equivalents	-	0.28	0.28	-	-	-	-	-	-	-	0.28	0.28	0.28
Bank Balance	-	9.56	9.56	-	-	-	-	-	-	-	9.56	9.56	9.56
	<u>10.56</u>	<u>543.67</u>	<u>554.23</u>	<u>-</u>	<u>1.70</u>	<u>-</u>	<u>1.70</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>552.53</u>	<u>552.53</u>	<u>554.23</u>
Financial Liabilities													
Borrowings	1,728.78	1,147.27	2,876.05	-	-	-	-	-	-	-	2,876.05	2,876.05	2,876.05
Trade Payables	-	162.69	162.69	-	-	-	-	-	-	-	162.69	162.69	162.69
Forward Contract Liabilities(Financial Instrument)	-	0.24	0.24	-	0.24	-	0.24	-	-	-	-	-	0.24
Other Financial Liabilities	-	226.25	226.25	-	-	-	-	-	-	-	226.25	226.25	226.25
	<u>1,728.78</u>	<u>1,536.45</u>	<u>3,265.23</u>	<u>-</u>	<u>0.24</u>	<u>-</u>	<u>0.24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,264.99</u>	<u>3,264.99</u>	<u>3,265.23</u>
Financial Assets and Liabilities as at 31st March 2015													
Financial Assets and Liabilities as at 31st March 2015	Fair Value Through Profit and Loss			Fair Value Through Other Comprehensive Income				Carried at Amortised cost				Total Amount	
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Investments													
Quoted Equity Instruments	1.01	-	1.01	-	-	-	-	1.01	-	-	-	-	1.01
Equity Instruments in associates	763.36	-	763.36	-	-	-	-	-	-	-	763.36	763.36	763.36
Equity Instruments in Others	10.84	-	10.84	-	-	-	-	-	-	-	10.84	10.84	10.84
	<u>775.21</u>	<u>-</u>	<u>775.21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.01</u>	<u>-</u>	<u>-</u>	<u>774.20</u>	<u>774.20</u>	<u>775.21</u>
Other Financial Assets													
Capital Advance	2.00	-	2.00	-	-	-	-	-	-	-	2.00	2.00	2.00
Deposits With Govt. Authorities & Others	5.56	-	5.56	-	-	-	-	-	-	-	5.56	5.56	5.56
Deferred Employee Compensation Under ESOS	2.27	-	2.27	-	2.27	-	2.27	-	-	-	-	-	2.27
Advances recoverable in cash or in kind	-	837.80	837.80	-	-	-	-	-	-	-	837.80	837.80	837.80
Trade Receivable	-	359.90	359.90	-	-	-	-	-	-	-	359.90	359.90	359.90
Cash and Cash Equivalents	-	0.28	0.28	-	-	-	-	-	-	-	0.28	0.28	0.28
Bank Balance	-	6.88	6.88	-	-	-	-	-	-	-	6.88	6.88	6.88
	<u>9.83</u>	<u>1,204.86</u>	<u>1,214.69</u>	<u>-</u>	<u>2.27</u>	<u>-</u>	<u>2.27</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212.42</u>	<u>1,212.42</u>	<u>1,214.69</u>
Financial Liabilities													
Borrowings	2,087.76	881.97	2,969.73	-	-	-	-	-	-	-	2,969.73	2,969.73	2,969.73
Trade Payables	-	427.54	427.54	-	-	-	-	-	-	-	427.54	427.54	427.54
Forward Contract Liabilities(Financial Instrument)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	242.23	242.23	-	-	-	-	-	-	-	242.23	242.23	242.23
	<u>2,087.76</u>	<u>1,551.74</u>	<u>3,639.50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,639.50</u>	<u>3,639.50</u>	<u>3,639.50</u>

7 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

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

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

1) Market Risk :

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

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

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

	<u>As at 31.03.17</u>	<u>As at 31.03.16</u>
Forward Contracts outstanding for hedging currency risks		
- Loans	-	-
- Payable	-	32.35
Foreign Currency Exposures that have not been hedged		
- Loans including accrued interest	233.53	233.53
- Payable	9.04	22.09
- Receivable	289.90	289.90

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

7 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES (Contd.)

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

Changes in USD Rate	Effect on profit after tax			Effect on Total Equity		
	Year 2016-17	Year 2015-16	Year 2014-15	Year 2016-17	Year 2015-16	Year 2014-15
+5%	2.36	0.09	(8.47)	2.36	(0.09)	(8.47)
-5%	(2.36)	(0.09)	8.47	(2.36)	0.09	8.47

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at 31st March, 2017, the carrying value of such equity instruments recognised at FVTOCI amounts to Rs. 2.93 crores (Previous year Rs 1.67 crores and Rs 1.00 crores as at 1st April, 2015).

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

If the equity prices had been higher/lower by 10% from the market prices existing as at 31st March, 2017, Other Comprehensive Income for the year ended 31st March, 2017 would increase/decrease by ₹ 0.11 Crores (2015-16 ₹ 0.04 crores, 2014-15 ₹ 1.24 crores) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2017. 10% represents management's assessment of reasonably possible change in equity prices.

2) Credit Risk :

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

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

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

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

3) Liquidity Risk :

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

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

	As at 31st March 2017				As at 31st March 2016			
	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total	0-1 Years	Between 1 to 5 Year	Over 5 Year	Total
Maturity patterns of borrowings								
Long term borrowings (Including current maturity of long term debt)	411.90	1,468.01	88.12	1,968.03	195.56	67.20	1,106.27	1,969.03
	411.90	1,468.01	88.12	1,968.03	195.56	67.20	1,106.27	1,969.03
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2017								
Trade Payable	168.77	-	-	-	168.77			
Payable related to Capital goods	8.75	-	-	-	8.75			
Other Financial liability (Current and Non Current)	387.07	42.25	2.78	15.20	447.30			
	564.59	42.25	2.78	15.20	624.82			
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2016								
Trade Payable	162.69	-	-	-	162.69			
Payable related to Capital goods	12.17	-	-	-	12.17			
Other Financial liability (Current and Non Current)	89.20	125.12	2.64	14.96	231.92			
	264.06	125.12	2.64	14.96	406.78			
Maturity patterns of other Financial Liabilities	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total			
As at 31st March 2015								
Trade Payable	427.54	-	-	-	427.54			
Payable related to Capital goods	19.78	-	-	-	19.78			
Other Financial liability (Current and Non Current)	36.61	185.83	11.82	8.15	242.41			
	483.93	185.83	11.82	8.15	689.73			

8 CAPITAL RISK MANAGEMENT

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

9 OTHER NON-CURRENT FINANCIAL ASSETS

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<i>(Unsecured, Considered Good)</i>			
Capital Advance	6.84	6.80	2.00
Deposits With Govt. Authorities & Others	2.40	2.06	5.56
Advance Tax (incl. Tax Deducted at Source)	70.55	70.47	66.82
	79.79	79.33	74.38

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

10	NON-CURRENT DEFERRED TAX ASSETS (Net)	As at	As at
		31st March, 2017	31st March, 2016
	Income tax expense in the statement of profit and loss comprises:		
	Current Tax		
	Current Tax on Taxable income for the year	-	-
	Total Current tax expense	-	-
	Deferred Tax		
	Deferred Tax charge /(Credit)	-	(391.82)
	MAT Credit (Taken)/Utilised	-	-
	Total deferred Income Tax Expense/(Benefit)	-	(391.82)
	Tax in respect of earlier years	-	2.31
	Total Income tax expense	-	(389.51)

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

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Income Tax Assets			
<i>On Account of Deductible temporary differences</i>			
Provision for gratuity and leave encashment	1.77	1.77	1.84
Other Payables	53.56	53.56	2.65
Interest Accrued and due and not due	2.48	2.48	95.62
Unabsorbed Depreciation	27.12	27.12	27.07
Business Loss	685.27	685.27	277.82
Total Deferred Tax Assets:	770.20	770.20	405.00
Deferred Income Tax Liabilities			
<i>On Account of Taxable temporary differences</i>			
Property Plant and Equipment	201.99	201.99	179.24
Deferred Employee compensation	0.55	0.55	0.73
Non Current Investment	3.83	3.83	-
Long Term Borrowings	12.76	12.76	21.43
Deferred Income Tax Liabilities arises in Business Combination	28.51	28.51	30.28
Total Deferred tax Liabilities:	247.64	247.64	231.68
Net Deferred Tax Assets carried to Balance sheet:	522.56	522.56	173.32

Movement in Deferred Tax Assets and Liabilities

Description	Charge /(Credited)				Charge/(Credited)			
	As at 1st April 2015	Other Comprehensive Income	Profit / Loss A/C	Retained Earnings	As at 31st March 2016	Other Comprehensive Income	Profit/ Loss A/C	As at 31st March 2017
Provision for gratuity and leave encashment	1.84	-	(0.39)	0.45	1.78	-	-	1.78
Other Payables	2.65	-	(51.56)	0.65	53.56	-	-	53.56
Interest Accrued and due and not due	95.62	-	69.65	23.49	2.48	-	-	2.48
Unabsorbed Depreciation	27.07	-	(6.71)	6.65	27.13	-	-	27.13
Business Loss	277.82	-	(475.70)	68.25	685.27	-	-	685.27
Property Plant and Equipment	(179.24)	-	66.79	(44.03)	(202.00)	-	-	(202.00)
Deferred Employee compensation	(0.73)	-	-	(0.18)	(0.55)	-	-	(0.55)
Non Current Investment	-	-	3.83	-	(3.83)	-	-	(3.83)
Long Term Borrowings	(21.43)	-	(3.41)	(5.27)	(12.75)	-	-	(12.75)
Deferred Income Tax Liabilities arises in Business Combination	(30.28)	-	5.67	(7.44)	(28.51)	-	-	(28.51)
Total	173.32	-	(391.83)	42.57	522.58	-	-	522.58

The Management of the Company is reasonably certain that the Company would be having Future Taxable Income and deferred tax assets are only recognized to the extent that their utilization is probable, i.e. tax benefit is expected in future periods and the Same is further supported by the Technical & Economical Valuation conducted by Mecon Ltd. as a part of CDR Implementation.

11 OTHER NON-CURRENT ASSETS

Description	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unamortised Expenses:			
(To the extent not written off/ or adjusted)			
- Deferred Employee Compensation Under ESOS			
Balance B/F	1.70	2.25	3.36
Less - Adjusted for ESOS under Ind AS at Fair Value	(0.05)	(0.12)	0.55
Less - Adjusted for Employees left during the year	0.15	0.72	0.95
- Amortised during the year (net)	0.28	(0.04)	(0.39)
Deferred Revenue Expenses			
- FCCB issue Expenses	-	0.01	0.02
	1.32	1.71	2.27

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

12 INVENTORIES

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Stores , Spares & Consumables	6.04	4.97	5.40
Raw Materials	147.39	129.10	246.27
Work in Process	0.78	0.93	3.22
Finished Goods	66.24	198.76	931.51
	<u>220.45</u>	<u>333.76</u>	<u>1,186.40</u>

13 CURRENT INVESTMENTS

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	Face Value (Rs)	No. of Shares*	Values	No. of Shares*	Values	No. of Shares*
Quoted (Equity)						
Overseas Investments						
Wollongong Coal Ltd. (formerly Gujarat NRE Coking Coal Ltd)	N.A.	-	Nil (4,81,22,800)		48,122,800	25.27
Less: Provision for Diminution in Value of Investment						(20.66)
Aggregate Book Value of Quoted Investments			-		-	<u>4.61</u>
Market value of Quoted Investments			-		-	<u>4.61</u>

* Previous Year figure are in bracket

14 TRADE RECEIVABLE* (Unsecured, considered good)

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Trade Receivables	43.38	93.71	344.82
Receivable from Related Party	-	-	15.08
	<u>43.38</u>	<u>93.71</u>	<u>359.90</u>

15 CASH & CASH EQUIVALENTS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Cash in hand (as certified by the Management)	0.06	0.28	0.15
Balance with Scheduled Banks			
- In Current Account	4.97	1.22	1.31
- In Current Account for Unclaimed Dividend	0.79	1.15	1.61
- In Term Deposits* (Including interest accrued) **	4.99	7.06	3.83
Balance with Non Scheduled Banks			
- In Current Account	0.13	0.13	0.13
	<u>10.94</u>	<u>9.84</u>	<u>7.03</u>

*includes Term deposits held as margin on Letter of Credit and Bank Guarantee

**Term Deposits with Banks includes deposits of Rs. Nil (Previous Year Rs.Nil Crores) with maturity of more than 12 months.

16 OTHER CURRENT FINANCIAL ASSETS (Unsecured, Considered Good)

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
Advances recoverable in cash or in kind or value to be received	413.85		473.31		837.80	
Less: Provision for Bad & Doubtful Advances	-	413.85	33.19	440.12	-	837.80
Advance Tax (incl. Tax Deducted at Source)		0.10		0.03		6.97
		<u>413.95</u>		<u>440.15</u>		<u>844.77</u>

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

17

A EQUITY SHARE CAPITAL

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
AUTHORISED :			
1,60,00,00,000 Equity Shares (Previous Year 1,60,00,00,000) of Rs. 10/- each.	1,600.00	1,600.00	1,600.00
10,00,00,000 "A" Equity Shares (Previous Year 10,00,00,000) of Rs.10/- each Carrying 100 Voting Rights per "A" Equity Share	100.00	100.00	100.00
30,00,00,000 "B" Equity Shares (Previous Year 30,00,00,000) of Rs.10/- each Carrying 1 Voting Right per 100 "B" Equity Shares	300.00	300.00	300.00
	<u>2,000.00</u>	<u>2,000.00</u>	<u>2,000.00</u>
ISSUED,SUBSCRIBED AND PAID-UP :			
160,45,48,645 Equity Shares of Rs.10/- each fully paid up, (Previous year 125,10,39,175)	1,604.55	1,251.04	689.99
Add: Equity Shares Nil (Previous year 30,40,42,725) of Rs. 10 each, fully paid up, issued on Amalgamation	-	<u>304.04</u>	<u>304.04</u>
5,24,88,010 "B" Equity Shares of Rs.10/- each fully paid up, (Previous year 5,24,88,010)	52.49	52.49	52.49
	<u>1,657.04</u>	<u>1,607.57</u>	<u>1,046.52</u>

As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
No of Shares	No of Shares	No of Shares

17.1 *Of the above Shares:*

"B" Equity Shares out of the issued, subscribed and paid up "B" Equity Share Capital were issued as fully paid Bonus Shares in the last five years, preceeding 31st March, 2017.	-	1,748,176	52,488,010.00
Equity Shares out of the issued, subscribed and paid up Equity Share Capital were issued in the last five years for consideration other than Cash pursuant to a scheme of amalgamation	304,042,725	304,042,725	-

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

Name of the Shareholders	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	No of Shares	% held	No of Shares	% held	No of Shares	% held
Equity Shares:						
State Bank of India	239,741,630	18.43%	239,741,630	19.16%	-	-
Axis Bank	98,662,101	7.59%	98,299,603	7.86%	-	-
"B" Equity Shares:						
Bharat NRE Coke Ltd. (Gujarat NRE Mineral Resources Ltd. merged with the Bharat NRE Coke Ltd)	14,075,913	26.82%	14,075,913	26.82%	1,51,75,913	28.91%
SICOM	2,533,645	4.83%	3,595,047	6.85%	13,90,120	2.65%

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

Particulars	As at 31st March,2017	As at 31st March,2016
	No of Shares	No of Shares
Equity Shares:		
<i>Equity Shares at the beginning of the year</i>	1,55,50,81,900	689,985,035
Add: Preferential Shares issue to ICICI Bank		33,185,000
Add: Shares issued on Conversion of Share Warrant	25,000,000	60,000,000
Add: Preferential Shares issue under CDR to CDR Lenders	24,466,745	467,869,140
Add: Shares allotted under scheme of amalgamation	-	30,40,42,725
<i>Equity Shares at the end of the year</i>	<u>1,604,548,645</u>	<u>1,555,081,900</u>
"B" Equity Shares:		
<i>Equity Shares at the beginning of the year</i>	52,488,010	52,488,010
<i>Equity Shares at the end of the year</i>	<u>52,488,010</u>	<u>52,488,010</u>

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

17.4 i) **Shares Reserved for issue under Employee Stock Options Plan**

Movement in Options granted during the Year ended March 2017 is given below:

	No. of Options 31.03.2017	Weighted Average Exercise Price (in Rs.) 31.03.2017	No. of Options 31.03.2016	Weighted Average Exercise Price (in Rs.) 31.03.2016
a) Outstanding at the beginning of the Year				
- Equity Shares	5,402,300	35.40	6,437,050	35.40
- "B" Equity Shares	164,080	-	190,680	-
Granted during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares (To give effect of Bonus)	-	-	-	-
Forfeited during the Year				
- Equity Shares	1,251,700	44.78	1,034,750	36.36
- "B" Equity Shares	32,620	-	26,600	-
Exercised during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
Expired during the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
b) Outstanding at the end of the Year				
- Equity Shares	4,150,600	32.41	5,402,300	35.40
- "B" Equity Shares	131,460	-	164,080	-
c) Exercisable at the end of the Year				
- Equity Shares	-	-	-	-
- "B" Equity Shares	-	-	-	-
ii) Share Reserved for issue against Share Warrants			As at 31st March, 2017 No. of Warrants	As at 31st March, 2016 No. of Warrants
Equity Shares			-	25,000,000

iii) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US \$ 20 Millions at par on 24th October 2012. These bonds are convertible into equity shares of the Company at the option of the bond holders at a price of Rs. 12.00 per share. On Conversion these Bonds will result in 8,95,58,333 equity shares of the Company.

B OTHER EQUITY

	General Reserve	Capital Reserve	Security Premium Reserve	Debentures Redemption Reserves	Employees Stock Option Outstanding	Surplus from Statement of Profit & Loss:	Total
Balance as at 1st April, 2015	251.25	144.87	511.80	196.57	5.35	(977.84)	132.00
Profit/(Loss) of Amalgamating Company	-	-	-	-	-	(6.60)	(6.60)
Profit/(Loss) for the year	-	-	-	-	-	(827.81)	(827.81)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	0.41	0.41
Transfer on forfeiture of Share Warrant	-	-	-	-	-	(1,811.84)	(702.00)
Transfer on forfeiture of Share Warrant	-	10.40	-	-	-	-	10.40
Securities premium Received During the Year	-	-	52.51	-	-	-	52.51
Capital Reserve arising on Amalgamation	-	25.12	-	-	-	-	25.12
Deferred Tax arising on Business Combination	-	(29.71)	-	-	-	-	(29.71)
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	(0.88)	-	(0.88)
Adjustment for Option Forfeited during the year	-	-	-	-	(0.71)	-	(0.71)
Adjustment for Business Combination	-	-	-	-	-	1.20	1.20
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	-	0.46	0.46
Measuring borrowings at amortised cost	-	-	-	-	-	70.48	70.48
Measuring Investment at fair value	-	-	-	-	-	(12.47)	(12.47)
Adjustment for Deferred Tax	-	-	-	-	-	(90.37)	(90.37)
Balance as at 31st March, 2016	251.25	150.68	564.31	196.57	3.76	(1,842.54)	(675.97)
Balance as at 1st April, 2016	251.25	150.68	564.31	196.57	3.76	(1,842.54)	(675.97)
Profit/(Loss) for the year	-	-	-	-	-	(733.74)	(733.74)
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	1.10	1.10
Securities premium Received During the Year	-	-	7.52	-	-	-	7.52
Adjustment for Employee stock option at fair value as Ind AS	-	-	-	-	0.12	-	0.12
Adjustment for Option Forfeited during the year	-	-	-	-	(0.86)	-	(0.86)
Balance as at 31st March, 2017	251.25	150.68	571.83	196.57	3.02	(2,575.18)	(1,401.83)

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

18 LONG TERM BORROWINGS

Description	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured						
Non Convertible Debentures	106.87	305.64	62.05	350.46	38.70	383.06
Foreign Currency Term Loans from Scheduled Banks	25.22	75.65	8.07	92.80	5.99	93.77
Term Loans from Scheduled Banks	259.01	962.42	115.70	1,109.25	79.68	1,220.89
Term Loans from Scheduled Banks- FITL	20.80	69.63	7.43	82.99	20.57	264.86
Term Loans from Others	-	-	-	-	0.21	-
Loan Liability Adjustment	-	5.15	-	(39.38)	-	-
	<u>411.91</u>	<u>1,418.49</u>	<u>193.25</u>	<u>1,596.12</u>	<u>145.15</u>	<u>1,962.58</u>
Unsecured						
Foreign Currency Convertible Bonds	-	132.66	-	132.66	-	125.18
	-	132.66	-	132.66	-	125.18
	-	-	-	-	-	-
	<u>411.91</u>	<u>1,551.15</u>	<u>193.25</u>	<u>1,728.78</u>	<u>145.15</u>	<u>2,087.76</u>

A) For all Secured Term Loans & Non Convertible Debentures excluding "B" & "C"

i) **Primary Security:**

Pari- passu 1st charge over the entire fixed assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat, Dharwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dharwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat.

ii) **Collateral Security:**

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

b) **Along with Working Capital facilities**

-First Pari- passu charge on Residential Property at 1, Clyde Row, Hastings, Kolkata in the name of Mr. Arun Kumar Jagatramka

-First Pari- passu charge on Residential-cum-office Property at NRE House, Saru Road, Jamnagar, Gujarat in the name of Mr. Arun Kumar Jagatramka

-Pledge of 78,478,035 Equity shares and 12,357,468 Class "B" Equity Shares of GNCL held by the promoters/promoter Group Company .

-Personal Guarantees of Promoter Directors viz. Mr. Arun Kumar Jagatramka and Mrs. Mona Jagatramka.

-Corporate Guarantee (to the extent of the value of shares pledged) of promoter group companies namely Bharat NRE Coke Ltd and Mangal Crystal Coke Pvt. Ltd.

-Corporate Guarantee of Bharat NRE Coke Limited.

c) The Rupee Term Loan II of Rs. 54 Crores from ICICI Bank Ltd. (assigned to JMARC) further secured by Corporate guarantee of Gujarat NRE Pty Ltd.

B) Term Loan from The Laxmi Vilas Bank Ltd. amounting to Rs. 48.50 Crores

Primary Security:

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

Collateral Security:

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

C) Term Loan from others are secured by Hypothecation of specified Movable fixed assets financed.

D) Maturity Profile of Term Loans are as set below:

	Repayment profile (Rs.)			
	Repayable during 01.04.17 - 31.03.18	Repayable during 01.04.18 - 31.03.19	Repayable during 01.04.19 - 31.03.2020	Repayable beyond 31.03.2020
Foreign Currency Term Loans from Scheduled Banks	25.22	13.11	13.11	49.43
	(8.07)	(11.10)	(13.11)	(68.59)
Term Loan from Banks	259.01	166.62	172.77	633.17
	(115.70)	(143.12)	(173.00)	(803.26)
Term Loan from Banks-FITL	20.80	11.85	12.08	45.70
	(7.43)	(10.22)	(12.08)	(60.69)
5.5% Foreign Currency Convertibles Bonds	132.66	-	-	-
	(132.66)	-	-	-
Non Convertible Debentures				
11% Secured Redeemable NCDs	92.83	52.98	52.98	199.68
	(48.00)	(44.83)	(52.98)	(252.66)
12.50% Secured Redeemable NCDs	14.05	-	-	-
	(14.05)	-	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

- E) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US \$ 20 Millions at par on 24th October 2012. These bonds are convertible into equity shares of the Company at the option of the bond holders at a price of Rs. 12.00 per share. On Conversion these Bonds will result in 8,95,58,333 equity shares of the Company. If not converted then they are redeemable on 24th October 2017
- F) The company was informed by ICICI Bank Limited vide letter dated 5th October 2016 about the assignment of the outstanding dues of ICICI Bank to J M Financial Asset Reconstruction Company Private Limited ("JMARC") with effect from 27th September 2016. As such all the outstanding dues of ICICI Bank Limited with effect from the said date stands transferred to J M Financial ARC.
- G) The company was informed by DBS Bank Limited vide letter dated 13th April 2017 about the assignment of the outstanding dues of DBS Bank to Assets Care & Reconstruction Enterprise Limited ("ACRE") with effect from 29th March 2017. As such all the outstanding dues of DBS Bank Limited with effect from the said date stands transferred to ACRE.

19 LONG TERM PROVISIONS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Provision for Gratuity & Leave Encashment	5.36	5.12	5.33
Provision for Taxation	9.84	9.84	2.82
	<u>15.20</u>	<u>14.96</u>	<u>8.15</u>

20 SHORT TERM BORROWINGS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Secured			
Working Capital Facilities from Scheduled Banks	1,118.58	954.02	736.82
	<u>1,118.58</u>	<u>954.02</u>	<u>736.82</u>

i Primary Security:

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

ii Collateral Security:

a) Pari- passu 2nd charge over the entire fixed assets (both present & future) of the company's coke units at Khambalia and Bhachau in the state of Gujarat, Dharwad in the state of Karnataka, Waste Heat Recovery Power Plant (along with land) at Dharwad in the state of Karnataka, Steel unit at Bhachau in the state of Gujarat and Windmill units at various locations in the state of Gujarat.

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

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

21 TRADE PAYABLES

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Micro, Small & Medium Enterprises*	-	-	-
Others	168.77	162.69	427.54
	<u>168.77</u>	<u>162.69</u>	<u>427.54</u>

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

Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid on all delayed payment under the MSMED Act	-	-	-
Payment made beyond the appointed day during the Year	-	-	-
Interest due and payable for the Year of delay other than above	-	-	-
Interest accrued remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding Years	-	-	-

22 OTHER CURRENT LIABILITIES

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Current maturities of long term debts	411.90	193.25	145.15
Interest Accrued but not due on borrowings	-	-	1.57
Interest Accrued & due on Borrowings	387.07	61.97	35.04
Unclaimed Dividend	0.79	1.15	1.61
Creditors for Capital Expenditure	8.75	12.17	19.78
Advance Share Application Money Received	-	26.99	-
Financial Instruments	-	0.24	-
Others Payables	41.47	123.97	184.23
	<u>849.98</u>	<u>419.74</u>	<u>387.38</u>

There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March, 2017.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

23 SHORT TERM PROVISIONS

Description	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Provision for Gratuity & Leave Encashment	0.49	0.35	0.33
Provision for Taxation	2.29	2.30	11.49
	<u>2.78</u>	<u>2.65</u>	<u>11.82</u>

24 REVENUE FROM OPERATIONS

Description	For the year ended 31.03.2017		For the year ended 31.03.2016	
Sales	502.18		731.47	
Add: Excise Duty	39.04	541.21	15.97	747.44
		<u>541.21</u>		<u>747.44</u>

24.1 PARTICULARS OF SALE OF PRODUCTS

Description	Net Sales	Excise Duty	For the year ended 31.03.2017	For the year ended 31.03.2016
Coal & Coke	346.81	20.98	367.78	693.58
Rolled & Alloy Steel Products	141.89	18.06	159.95	36.17
Electricity Power (Windmill)	13.48	-	13.48	17.69
	<u>502.18</u>	<u>39.04</u>	<u>541.21</u>	<u>747.44</u>

25 OTHER INCOME

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Income	0.64	1.40
(TDS Rs.0.10 Crores, Previous Year Rs. 0.20 Crores)	-	-
- Profit on Sale of Investments	0.01	0.11
Foreign Exchange Fluctuation	0.23	-
Guarantee Commission	-	71.72
Day 1 gain on amortisation of VGF	-	15.41
Miscellaneous Income	4.31	0.09
	<u>5.19</u>	<u>88.73</u>

26 COST OF MATERIAL CONSUMED

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Coal & Coke	354.88	228.29
Rolled & Alloy Steel Products	101.87	19.54
	<u>456.75</u>	<u>247.83</u>

26.1 PARTICULARS OF COST OF MATERIAL CONSUMED

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Imported	79.68	62.51
Indigenous	377.07	185.32
	<u>456.75</u>	<u>247.83</u>

27 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROCESS & STOCK IN TRADE

Description	For the year ended 31.03.2017		For the year ended 31.03.2016	
<i>Closing Stocks</i>				
- Finished Goods	66.24		198.75	
- Work in Process	0.78	67.02	0.93	199.69
Less :Opening Stocks				
- Finished Goods	198.76		926.10	
- Work in Process	0.93	199.69	3.07	929.17
Less :Opening Stock acquired on Amalgamation				
- Finished Goods		-		3.14
		(132.67)		(732.62)
Less: Change in Excise Duty on Stock		(0.25)		0.02
		<u>(132.92)</u>		<u>(732.60)</u>

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

28 EMPLOYEES BENEFITS EXPENSES

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Salaries, Wages, Bonus & Labour Charges	28.26	28.91
Contribution to PF & Other Funds	2.17	2.19
Provision/Payment of Gratuity	0.51	0.14
Employee Compensation Amortisation Under ESOS	0.24	0.39
Employees Welfare Expenses	2.35	1.90
	33.53	33.53

28.1 Disclosure on Employee benefits :-

In respect of defined benefit scheme (based on Actuarial valuation)

	Gratuity Plan	(Rs. in Crores) Leave Encashment
i Change in Obligation over the Year ended 31.03.2017		
- Present value of Defined Benefit Obligation as on 01.04.2017	4.57	0.90
- Current Service Cost	0.51	0.09
- Past Service Cost	-	-
- Interest Cost	0.36	0.07
- Curtailment Cost / (Credit)	-	-
- Settlement Cost / (Credit)	-	-
- Actuarial (gains)/ losses	0.25	(0.10)
- Benefits paid	(0.70)	(0.10)
- Present Value of defined Benefit Obligation as on 31.03.2017	4.99	0.86
ii Expenses recognized during the Year 2016-17		
- Current Service Cost	0.51	0.09
- Past Service Cost	-	-
- Interest Cost	0.36	0.07
- Curtailment Cost / (Credit)	-	-
- Settlement Cost / (Credit)	-	-
- Actuarial (gains)/ losses	0.25	(0.10)
- Expected return on plan assets	-	-
- Total Expenses for the Year	1.12	0.06
iii Principal Actuarial Assumptions at the balance sheet date.		
- Discount rate (based on the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities)	7.35%	
- Expected rate of return on assets	N.A	
- Salary increase (taking into account inflation , seniority , promotion and other relevant factors)	5.00%	
Projected Unit Credit (PUC) actuarial method has been used to assess the Plan's liabilities, including those death-in-service and in capacity benefits.		
iv General Descriptions of defined benefit plans:		
a) Gratuity Plan:		
The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on Termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service.		
b) Provident Fund Plan:		
The Company contributes 12% of salary for all eligible employees towards Provident Fund managed by the Regional Provident Fund Authority.		

29 FINANCE COSTS

Description	For the year ended 31.03.2017	For the year ended 31.03.2016
Interest Expenses	391.53	269.16
Other Borrowing Costs	2.37	11.04
Applicable loss/(gain) on foreign currency transactions and translation	-	13.34
	393.90	293.55

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

30 OTHER EXPENSES

DESCRIPTION	For the year ended 31.03.2017	For the year ended 31.03.2016
Manufacturing Expenses:		
Power & Fuel	15.83	10.45
Stores, Spares & Consumables	8.50	2.92
Repair & Maintenance:		
- Plant & Machinery	16.49	12.74
- Building	0.06	0.04
- Others	1.02	1.11
Plant Hire Charges	15.15	18.07
	57.05	45.33
Selling & Distribution Expenses:		
Advertisement & Business Development	0.26	0.86
Carriage & Cartage	9.25	4.14
Commission on Sales	1.88	0.85
	11.39	5.85
Establishment Expenses:		
Professional & Service Charges	7.91	13.21
General Expenses	2.00	3.72
Rent	0.50	0.62
Rates & Taxes	2.25	0.32
Insurance Expenses	1.29	2.47
Unrecoverable Balances Written Off	21.07	0.04
Communication Expenses	0.20	0.22
Travelling & Conveyance	2.34	2.66
Auditors Remuneration		
- For Audit Fees	0.18	0.18
Internal Audit Fees	0.05	0.06
Loss on Sale of Fixed Assets	0.04	1.20
Loss on Conversion of Loans	-	13.42
Foreign Exchange Fluctuation	-	9.21
Preliminary Expenses Written Off	0.01	0.01
	37.82	47.37
	106.26	98.55

31 Segment Informations as per IndAS 08:

Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2017.

i Primary Segment Reporting (by Business Segment):

(Rs. in Crores)

Particulars	2016-17			2015-16		
	Coal & Coke	Steel	Total	Coal & Coke	Steel	Total
Segment Revenue						
(Net Sales/Income from segment)						
External Sales	367.79	173.42	541.21	693.58	53.86	747.44
Inter-Segment Revenue	-	-	-	-	-	-
	367.79	173.42	541.21	693.58	53.86	747.44
Less: Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	367.79	173.42	541.21	693.58	53.86	747.44
Segment Results						
Profit/(Loss) before Tax & Interest	(259.31)	(13.09)	(272.40)	(916.92)	(25.53)	(942.45)
Add:- Other Un-allocable Income Net of Expenditure			(9.53)			60.33
Less:- Finance Charges			0.00			293.54
Less:- Provision for Tax			-			(389.51)
Net Profit before Extraordinary Items			(281.93)			(786.15)
Less: Extraordinary Items			-			33.19
Net Profit			(281.93)			(819.34)
Assets						
Segment Assets*	1,134.98	368.83	1503.81	1,337.20	391.14	1728.34
Un-allocable Assets			2121.00			2120.88
Total Assets			3624.81			3849.22
Liabilities						
Segment Liabilities	173.24	50.13	223.37	262.46	40.67	303.13
Un-allocable Liabilities			14.39			41.63
Total Liabilities			237.76			344.76
*including captive windmills	4.43	261.77		4.84	280.55	
Capital Expenditure	21.76	0.53		11.49	0.43	
Non Cash Expenses						
Depreciation & Amortisation	35.73	23.83		31.83	27.26	

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

31 Segment Informations (Contd.):

ii **Secondary Segment Reporting (by Geographical demarcation):**

(Rs. in Crores)

Particulars	2016-17			2015-16		
	India	Rest of the World	Total	India	Rest of the World	Total
Segment Revenue	541.21	-	541.21	747.44	-	747.44
Segment Assets	1,503.81	-	1,503.81	1,728.34	-	1,728.34
Capital Expenditure	45.37	-	45.37	11.92	-	11.92

32 The Earnings Per Share as per IndAS 33 are as under:

Particulars

Earnings

Net Profit for the Year (Rs. / Crores)

Add: Interest on FCCB (Rs. / Crores)

Earnings for Diluted EPS (Rs. / Crores)

Shares

Number of shares at the beginning of the Year

Add: Share Allotted against Share Warrants

Add : Preferential Allotment

Add: Share issued on Amalgamation

Total number of equity shares outstanding at the end of the Year

Weighted average number of shares outstanding during the Year (for Basic EPS)

Weighted average number of shares outstanding during the Year (for Diluted EPS)

Earning per share :

Basic (Rs.)

Diluted (Rs.)

	At 31.03.2017 Basic & Diluted EPS	At 31.03.2016 Basic & Diluted EPS
Net Profit for the Year (Rs. / Crores)	(733.74)	(827.81)
Add: Interest on FCCB (Rs. / Crores)	-	-
Earnings for Diluted EPS (Rs. / Crores)	(733.74)	(827.81)
Number of shares at the beginning of the Year	1,607,569,910	742,473,045
Add: Share Allotted against Share Warrants	25,000,000	60,000,000
Add : Preferential Allotment	24,466,745	501,054,140
Add: Share issued on Amalgamation	-	304,042,725
Total number of equity shares outstanding at the end of the Year	1,657,036,655	1,607,569,910
Weighted average number of shares outstanding during the Year (for Basic EPS)	1,650,935,266	1,161,145,245
Weighted average number of shares outstanding during the Year (for Diluted EPS)	1,650,935,266	1,161,145,245
Earning per share :		
Basic (Rs.)	(4.44)	(7.13)
Diluted (Rs.)	(4.44)	(7.13)

In the above statement, paid up Equity & Earning Per Share include both Equity Shares & B Equity Shares since both class of shares are pari-passu in all respect except for voting rights.

33 Insolvency and Bankruptcy Code:

On 22nd March, 2017, the Company, in the capacity of Corporate Debtor, had filed a petition under Insolvency and Bankruptcy Code, 2016 (Code) with National Company Law Tribunal (NCLT), Kolkata Bench for initiation of Corporate Insolvency Resolution Process (CIRP) in its respect. The case was admitted by NCLT and it had ordered for commencement of CIRP with effect from 7th April, 2017 and had appointed Mr. Sumit Binani as the Interim Resolution Professional for the Company. The powers of the Board of Directors were suspended and such powers vested with the Interim Resolution Professional in terms of the provisions of the Code.

The NCLT also provided for a moratorium with effect from 7th April, 2017 till the completion of the CIRP process or until it approves the resolution plan under Sec 31(1) of the Code or passes an order for liquidation of the Company under Sec 33 of the Code, whichever is earlier. CIRP is currently under process.

Pursuant to the order of the NCLT, a public announcement was made on 10th April, 2017 and a Committee of Creditors (CoC) was formed under Sec 21 of the Code. The CoC held their first meeting on 5th May, 2017 and approved appointment of Interim Resolution Professional, Mr. Sumit Binani, as the Resolution Professional.

Under the current CIRP, a resolution plan needs to be prepared and approved by the CoC and thereafter will need to be approved by the NCLT to keep the Corporate Debtor i.e the Company as a going concern. Currently, the resolution plan is under formulation and yet to be presented for approval of the CoC, hence the financial statements of the Company are continued to be prepared on going concern basis.

The Financial Statements of the Company for the year ended 31st March, 2017 have been audited by the Statutory Auditors of the Company.

34 Contingent liabilities not provided for in respect of:

	As at 31st March'2017	As at 31st March'2016
i Letter of Credits outstanding for purchase of materials.	-	1.04
ii Outstanding Bank Guarantees and Counter / Corporate Guarantees given on behalf of companies.	2,622.95	2,695.00
iii Capital commitments	73.26	71.49
iv Bills discounted under letter of credit with banks	-	8.24
v Duty on account of Advance Authorisation against Export obligation.	4.87	4.87
vi On Balance Sheet date, the disputed amount involved in ten income-tax demands(Previous year eight) under appeal (The management is of view that the outcome of the appeal would be favourable to the company, hence no provision has been made against these income-tax demands.)	157.43	41.65
vii Demand raised by the Central Excise department, against which company has filed an appeal to the jurisdiction authorities.	8.49	3.56
viii Demand raised by the Service tax department, against which company has filed an appeal to the jurisdiction authorities.	7.49	5.72
ix Demand raised by the Custom department, against which company has filed an appeal to the jurisdiction authorities.	12.64	7.03

35 i) During 2007, the company and Armada (Singapore) Pte Ltd ("Armada") had entered into a five year charter party agreement for chartering of vessels. During 2009 Armada had entered into Judicial Management, a Singaporean insolvency regime. Hence, the company did not make further nominations as there was no security for Armada's performance for the balance period under the Agreement.

During 2010, Armada commenced an arbitration proceeding against the Company in London for the non-performance during 2009 and 2010. The Tribunal passed an Award in favour of Armada assessing the liability of the Company for US\$ 7.80 million (Rs. 51.17 cr) plus interest w.e.f. 5th April, 2012("Third Award"), ignoring the fact that tribunal was not constituted as per the terms of the contract and as such had no jurisdiction to adjudicate the matter. The company has challenged the constitution of the Tribunal before the Calcutta High Court and the same is sub-judice before the same court.

Aggrieved by the aforesaid Award, the company has filed a civil suit against Armada in February 2012 with the Hon'ble High Court at Calcutta claiming for damages for an amount of Rs 144 crores and cancellation of the aforesaid Award and restraining Armada from giving any effect to the Award. An interim order was passed by the Hon'ble High Court of Calcutta restraining Armada to take any further steps to enforce the Award passed by the Tribunal in India. However, the said petition has been dismissed by the Ld. Single Judge in November 2016 and an appeal has been filed against such order of dismissal which is presently sub-judice.

During 2012, Armada filed its claim for the year 2011 before the same Arbitral Tribunal in London which passed a further Award assessing the liability of the Company for US\$ 4.67 million (Rs. 30.64 cr) plus interest w.e.f. 30th November, 2012 ("Fourth Award"), ignoring the fact that tribunal was not constituted as per the terms of the contract and as such had no jurisdiction to adjudicate the matter. A petition was filed in High Court at Calcutta against the said Award of the Arbitral Tribunal for its cancellation. However, the said petition, has been dismissed by the Ld. Single Judge.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

Further during 2012, the Company sought Armada's performance under the agreement for the year 2012. Armada's failure to perform was taken as repudiation of the agreement and the same terminated by the Company. In spite of this, Armada filed another claim in March 2013 for the year 2012 before a newly constituted Arbitral Tribunal. The company had filed a counter claim and opposed the claim of Armada. The Tribunal issued Awards in favour of Armada for US\$ 1.15 million (Rs. 7.54 cr) plus interest ("Fifth Award"). A petition has been filed by the Company in High Court at Calcutta against the said Awards and the same is presently sub-judice before the said court.

In May 2012 based on the Tribunal's Awards Armada has obtained through the Federal Court of Australia, New South Wales a freezing order of the assets held by GNCL in Australia and the Court has appointed receivers on the shares held by the company in Wollongong Coal Limited (formerly Gujarat NRE Coking Coal Ltd.) (WLC) and Gujarat NRE Pty Limited (GNL).

Armada has filed three separate execution petitions before the Hon'ble High Court at Calcutta with respect to Third, Fourth and Fifth Awards of the Arbitral Tribunal concealing material facts and details of the aforesaid legal proceedings in Australia. In the execution petitions w.r.t the Fourth and Fifth Awards of the Tribunal the Ld. Single bench has appointed Joint Receivers over the land and building of the company to the extent of a valuation of Rs. 60 crores.

Since all the lands and buildings of the company are charged in favour of the lenders the company had preferred an appeal against the said order and the appeal court has directed the Joint Receivers to ascertain whether the property identified for sale is charged to any bank or financial institution and in the event it is found to be charged, the sale will not proceed without further orders from the Ld. single Judge.

However, the receivers without verifying the charge documents have requested Armada to make necessary arrangement and take necessary steps for the Joint Receivers to take symbolic possession of the lands and buildings of the company. On 16.2.2017 the Joint Receivers visited the Bhachau Plant of the company for taking symbolic possession.

The matter is presently sub-judice before the said Ld. Single Judge.

- ii) In September 2011, the Company and Coeclerici Asia (Pte) Ltd. ("Coeclerici") entered into an agreement for sale of met coke by 31st March 2012 against advance payment of USD 10 million by Coeclerici, at a price to be mutually agreed. Sluggish market conditions, and no mutual agreement on price, lead to no cargo being supplied by 31st March, 2012 and the entire advance of USD 10 million was required to be refunded to Coeclerici. On or about August 2012, Coeclerici initiated arbitration proceedings in London. The Tribunal passed its order on 14th February, 2013 against the Company for an amount of US\$ 8.5 million (equivalent to Rs. 55.76 cr) and interest. The Company has repaid US\$ 3.2 million during the period June '2012 to Sept'2013.

Thereafter Coeclerici had approached the Australian Court to enforce the Tribunal order and the Court has appointed a receiver to the shares held by the company in Wollongong Coal Limited (formerly Gujarat NRE Coking Coal Ltd.) (WLC) and Gujarat NRE Pty Ltd (GNL) and the shares held by Mr. Arun Kumar Jagatramka in WLC. The receivers took control over the 86,092,966 shares held by the company in WLC and have been selling them on Australian Stock Exchange. As on 22nd December 2016 48,716,492 shares out of 86,092,966 shares of WLC have been sold by the receivers and as on 7th August 2015 an amount of US\$ 786,000 have been realized by the receivers.

The company has filed a Petition against Coeclerici before the Hon'ble High Court at Calcutta on 3rd March, 2015 under section 34 of The Arbitration and Conciliation Act, 1996 to set aside the order dated 14th February, 2013 passed by the Learned Arbitral Tribunal. The award was passed ignoring the compliance with Reserve Bank guidelines and as such being against public policy in India. The matter is subjudice before the Hon'ble High Court at Calcutta and the management is confident of a favourable outcome.

Further, on or around June 2015 Coeclerici had filed a winding-up petition against the company for an amount of US\$ 8.56 million. The company is strongly contesting the same and accordingly, have filed a suit against Coeclerici before the Hon'ble High Court at Calcutta on 16th October 2015 claiming a setoff against the claim of Coeclerici in their winding-up petition and a cross claim for an amount of US\$ 2.43 million (equivalent to Rs 15.94 crores). Coeclerici has filed a written statement against the setoff suit. The matter is sub-judice before the Hon'ble High Court at Calcutta and the management is confident of a favourable outcome.

- iii) The Company had entered into a Time Charter Agreement on January 29, 2008 with Gregarious Estates Incorporated ("Gregarious" or "Owners"), for hire of a vessel for a period of 82 to 86 months. As Gregarious failed to provide the Company with a notice for a change in its management of Gregarious, and also did not provide the calculations for ascertaining super profits, the Company, contended that the said Agreement was illegal, null and void. Accordingly the Company did not take delivery of the vessel.

Gregarious on 18th February, 2013 initiated arbitration proceedings in London against the Company for a claim of US\$ 38.94 million and obtained an order on 30th June 2014 for US\$ 36.34 million (Rs. 238.39 cr) plus interest.

The Company has filed an application under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court at Calcutta to set aside the order of the Tribunal. The matter is presently sub-judice before the Hon'ble High Court at Calcutta. The management is fully confident of successfully resisting enforcement of this award in India.

- iv) During November 2014, Wollongong Coal Ltd (WLC) and Wongawilli Coal Pty Ltd. (WCPL) have filed a Summon and a Commercial List Statement before the Supreme Court of New South Wales, Australia against the Company alleging non-payment by defendant against supply of coking coal by WLC and WCPL under coal purchase agreements and claimed an amount of US\$ 54.26 million (Rs. 355.95 cr) from the Company. The Company has filed a Notice of Appearance and Commercial List Response on 23rd March, 2015 claiming set off of the aforesaid claim against (i) Unwashed coal adjustment payable by WLC / WCPL for an amount of US\$ 37.26 million (Rs. 244.43 cr) and (ii) Unpaid freight payable by WLC / WCPL for an amount of US\$ 9.02 million (Rs. 59.17 cr). Further the company has also claimed a set-off for unpaid corporate guarantee commission for an amount of US\$ 42.32 million (Rs. 277.62 cr) and AU\$ 16.26 million (Rs. 81.87 cr) filed against WLC and WCPL in its Statement of Claim SC 2014/339422 joined to these proceedings.

The matter is pending before the Supreme Court of New South Wales, Australia. The management is confident of the outcome of the case in favour of the company and is expected to recover some amount from them and does not expect any liability on the Company.

- v) On 27th August, 2013 Jindal Steel and Power Ltd. (JSPL) had entered into a coal purchase agreement with Gujarat NRE Coke Ltd. (GNCL) & Gujarat NRE Mineral Resources Ltd. (GNMRL presently merged with Bharat NRE Coke Ltd.) (which was amended further on 12th September, 2013) for sale and supply of 65000 MT of washed NRE Australian hard coking coal to JSPL between 1st September, 2013 and 31st March, 2014 after washing the unwashed coking coal at the washeries of GNCL. As per the terms of the purchase agreement, JSPL had made an advance payment of Rs. 39 crores to GNCL. The advance secured by pledge of 1 crore shares of Bharat NRE Coke Ltd. each held by GNCL and GNMRL.

Subsequent to the agreement, the management control of WLC & WCPL, which was originally with GNCL, was taken over by the Jindal group and consequently, no shipment of coal was made available to GNCL and hence no supply could be made under the agreement by GNCL to JSPL. The dispute was referred to arbitration and Tribunal has passed an award in favour of JSPL. Thereafter, the company had filed an application before the Delhi High Court to set aside the Award. The said application was dismissed by the Delhi High Court vide order dated 1.2.2017 whereafter the company has preferred an appeal before Hon'ble Supreme Court against the said order dated 1.2.2017. The matter is presently pending before the Hon'ble Supreme Court. Meanwhile JSPL has issued a notice of demand under Rule 5 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016 to the company. The company subsequently issued a notice of dispute as a reply to the said demand notice of JSPL.

- vi) The company and Siemens Limited ("Siemens") had entered into a contracts in 2008 for design, engineering, manufacture, supply and delivery at site of plant and equipment by Siemens of various structure, equipments, parts etc of electrical package and Steel Structures, Commissioning and Insurance spares of Turbine and Auxiliaries package for installation of 15MW power plants each for Phase 1 and Phase 2 at Dharwad and 15 MW power plant at Bhachau adjacent to the existing coke plants of the Company. Some disputes arose between the parties and Siemens had instituted against the company a winding-up proceeding before the Hon'ble High Court at Calcutta and an arbitration proceeding before an arbitral tribunal. The matters are presently pending and the management does not envisage any material impact on its operation / performance out of these proceedings.

- vii) On 11th January 2016 National Pension System (NPS) Trust has filed a winding-up petition against the company before the Hon'ble High Court at Calcutta claiming Rs. 16.72 crores plus interest for non-payment of principal and interest amount of matured debentures of the company purchased by NPS from secondary market. The matter is presently pending before the said Hon'ble Court.

- viii) On 21.3.16 a petition was filed by SEBI against the company, its directors and office bearer before 5th Special Court, Calcutta for non-payment of dividend for the year 2011-12.

On 30.6.16 GNCL had filed an application before the Hon'ble High Court at Calcutta for quashing of the petition filed by SEBI before 5th Special Court. On 20.1.17 the Hon'ble High Court at Calcutta granted an interim stay on the proceedings of 5th Special Court for eight weeks (i.e. till 30.6.17) or until further orders, whichever is earlier.

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

36	Earning in Foreign Exchange:	<u>For the year ended 31.03.2017</u>	<u>For the year ended 31.03.2016</u>
	-Guarantee Commission	-	71.72
37	Value of Imports on CIF basis in respect of:	<u>For the year ended 31.03.2017</u>	<u>For the year ended 31.03.2016</u>
	Raw Materials		
	- Coking Coal	75.98	240.91
	- M.S.Scrap	<u>1.42</u>	<u>29.09</u>
	Capital Goods	77.40	270.00
38	Expenditure in foreign currency:	<u>For the year ended 31.03.2017</u>	<u>For the year ended 31.03.2016</u>
	- Travelling	0.51	0.28
	- Interest	8.80	8.38
	- Professional & Consultancy Fees	1.94	2.38
39	i) The company uses forward contracts to hedge its risks associated with foreign currencies relating to foreign currency liabilities. The company does not use forward contracts for speculative purpose		
		<u>As at 31st March'2017</u>	<u>As at 31st March'2016</u>
	a) Forward Contracts outstanding for hedging currency risks		
	- Loans	-	-
	- Payable	-	32.35
	b) Foreign Currency Exposures that have not been hedged		
	- Loans including accrued interest	233.53	233.53
	- Payable	9.04	22.09
	- Receivable	289.90	289.90
	ii) Exchange difference Gain/ (Loss) of Rs.Nil Crores (Previous Year Rs.0.29 Crores) in respect of unexpired period of forward cover contracts will be recognised in the Statement of Profit & Loss in subsequent year.		
40	Related Party Disclosures as required by IndAS 24 are given below:		
	A. Particulars of the Related Parties:		
	Associates		
	i Bulli Coke Ltd.	viii Madhur Coal Mining Pvt Ltd	
	ii Bhachau Traders Pvt. Ltd	ix Mahanidhi Vyapaar Pvt. Ltd.	
	iii Critical Mass Multilink Ltd	x Mangal Crystal Coke Pvt. Ltd	
	iv Gaurav Vinimay Pvt. Ltd.	xi Newage Vinimay Pvt Ltd	
	v Gujarat NRE Pty Limited, (an australian Company)	xii Russel Vale Traders Pvt. Ltd.	
	vi Khambhalia Traders Pvt. Ltd.	xiii Wonga Traders Pvt. Ltd.	
	vii Gujarat NRE Energy Resources Ltd.		
	Enterprises in which key management personnel have significant Influence		
	i Bharat NRE Coke Ltd.	iii Lunva Traders Pvt. Ltd.	
	ii Dharwad Traders Pvt. Ltd.	iv Gouriputra Consultants Pvt Ltd	
	Enterprise in which key management person is a trustee		
	Girdharilal Arun Kumar Family Trust		
	B. Key Management Personnel		
	i Mr. A. K. Jagatramka	- Chairman & Managing Director	
	ii Mr. Nitin Daga	- Chief Financial Officer (w.e.f September 2016)	
	iii Mr. Pawan K Agrawal	- Chief Commercial Officer	
	iv Mr. Sunil Kumar Maskara	- Chief Operating Officer	
	v Mr. Mukund Chandak	- Company Secretary	
	Relatives of Key Management Personnel		
	i Mrs. Mona Jagatramka	- Director	
	ii Ms. Kavita Jagatramka	- Senior Vice President	
	iii Ms. Tanvee Jagatramka	- Chief Brand Officer	
	iv Mr. Ayush Jagatramka	- Assistant Vice President	

GUJARAT NRE COKE LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 (contd.)

C Transaction with Related Parties

S.N	Particulars of Transactions	Current Year	Previous Year
i	Sale of Goods /Services		
	- Enterprises in which key management person has significant influence	37.99	-
ii	Purchase of Goods /Services		
	- Enterprises in which key management person has significant influence	15.15	40.05
iii	Remuneration		
	- Key Management Personnel	2.26	2.72
	- Relatives of Key Management Personnel	0.36	0.27
iv	Investment		
	- Associates	-	563.76
v	Sale of Securities		
	- Subsidiaries	-	279.26
vi	Purchase of Securities		
	- Subsidiaries	-	1.93
vii	Shares Alloted		
	- Associates	-	64.32
	- Enterprises in which key management person has significant influence	30.00	-
viii	Share Warrant Deposit		
	Received/(Adjusted) against Allotment of Shares		
	- Associates	-	20.10
	- Enterprises in which key management person has significant influence	-	22.50
ix	Rent Paid		
	- Key Management persons	0.08	0.08
	- Enterprises in which key management person is a trustee	1.22	1.31
	- Enterprises in which key management person has significant influence	0.11	-
x	Loans / Advance Given/(Received)		
	- Associates	-	2.00
xi	Guarantees/Collateral Securities Outstanding as at the Year end		
	- Given on behalf of Associates	65.60	66.33
	- Given on behalf of Enterprises in which Key Management Personnel has significant influence	86.54	101.11
	- Given by Associates (By way of pledge of Shares)	-	10.00
	- Given by Associates on behalf of the Company	-	-
	- Given by Key Management Personnel on behalf of the Company	2,941.58#	2,915.31#
	- Given by Enterprises in which key management person has significant influence	-	-
#	As per CDR Package Sri Arun Kumar Jagatramka & Mrs. Mona Jagatramka, Key Management Personnel, Relatives of Key Management personnel & some of the Enterprises in which Key Management personnel has significant influence has given Guarantee on behalf of the Company to the extent of Loan Outstanding.		
D	The Company has the following amounts due from/ to related parties:	As at	As at
		31st March'2017	31st March'2016
	Due from Related Parties	-	-
	(included in loans & advances and sundry debtors)		
	Due to Related Parties		
	(included in current liabilities)		
	- Associates	-	2.00
	- Enterprises in which key management person has significant influence	-	4.93

41 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries/Associates

S.N	Name of the entity	% of Voting power as at minus total liabilities		Net Assets, i.e. total assets		Share in profit or (loss) comprehensive Income		Share in other	
		31st March 2017	31st March 2016	As % of consolidated net assets	Amount (Rs/crores)	As % of consolidated profit or loss	Amount (Rs/crores)	As % of consolidated profit or loss	Amount (Rs/crores)
I	Country of incorporation: India								
A	Parent								
	Gujarat NRE Coke Ltd.	-	-	18.76%	442.24	(92.11%)	(675.83)	(100.00%)	1.10
B	Subsidiaries								
	Wholly Owned								
	i Hunter Valley Coal Pvt. Ltd.	100.00%	100.00%	10.54%	248.33	0.00%	-	-	-
	ii Manor Dealcom Pvt. Ltd.	100.00%	100.00%	9.95%	234.42	0.00%	-	-	-
C	Associates								
	i Bulli Coke Ltd.	47.38%	47.38%	4.56%	107.44	0.00%	-	-	-
	ii Bhachau Traders Pvt Ltd	46.32%	46.38%	2.30%	54.10	0.01%	0.04	-	-
	iii Critical Mass Multilink Ltd	46.40%	46.40%	6.98%	164.53	(0.15%)	(1.10)	-	-
	iv Gaurav Vinimay Pvt. Ltd.	47.36%	47.36%	7.30%	172.16	0.00%	-	-	-
	v Gujarat NRE Energy Resources Ltd.	48.34%	48.34%	7.59%	179.01	0.00%	-	-	-
	vi Khambhalia Traders Pvt Ltd	47.16%	47.16%	2.32%	54.64	0.00%	-	-	-
	vii Madhur Coal Mining Pvt Ltd	46.45%	46.45%	7.00%	165.10	0.00%	-	-	-
	viii Mahanidhi Vyapaar Pvt. Ltd.	47.11%	47.11%	3.43%	80.84	0.00%	-	-	-
	ix Mangal Crystal Coke Pvt Ltd.	45.64%	45.64%	4.87%	114.74	0.00%	-	-	-
	x Newage Vinimay Pvt Ltd	47.58%	47.58%	7.36%	173.47	-0.03%	(0.22)	-	-
	xi Russell Vale Traders Pvt. Ltd.	45.94%	45.86%	3.01%	70.89	0.00%	-	-	-
	xii Wonga Traders Pvt. Ltd.	45.62%	45.62%	3.15%	74.18	0.00%	-	-	-
II	Country of incorporation: Australia								
	Associates								
	Gujarat NRE Pty Ltd	33.44%	33.44%	0.89%	20.97	(7.72%)	(56.64)	-	-
	Sub Total:			100%	2,357.06	(100%)	(733.75)	(100%)	1.10
	Adjustment arising out of consolidation in subsidiaries & associates			2,101.85		-		-	
				255.21		(733.75)		1.10	

Notes to Consolidated Financial Statements for the year ended 31st March, 2017 *(contd.)*

42 Particulars of Balances with Non-Scheduled banks :

	Balance as on		Maximum as on	
	31st March 2017	31st March 2016	Current Year	Previous Year
In current Account*				
a) ICICI Bank UK PLC, London Branch	0.05	0.05	0.05	0.05
b) SBI Sydney Branch	0.06	0.06	0.06	0.06
c) SBI New York Branch	0.02	0.02	0.02	0.02

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

43 The indicators of impairment listed in IndAS 36 "Impairment of assets" have been examined by the management and on such examination, it has been found that none of the indicators are present in the case of the Company's assets. A formal estimate of the recoverable amount has not been made, as there is no indication of a potential impairment loss.

44 There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31st March 2017.

45 DISCLOSURE IN RESPECT OF SPECIFIED BANK NOTES HELD AND TRANSACTED

Particulars	Specified Bank Notes (SBNs)	Other denomination notes & Coins	Total (Rs.)
Closing cash in hand as on 08.11.2016	0.11	0.02	0.13
Add: Permitted receipts	-	0.13	0.13
Less: Permitted payments	-	0.11	0.11
Less: Amount deposited in Banks	0.11	-	0.11
Closing cash in hand as on 30.12.2016	-	0.04	0.04

46 Remittance in Foreign Currency on account of Dividend:

The Company has paid dividend in respect of shares held by Non-resident on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External Account (NRE A/c). The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remitted in this respect is given herein below:

	For the year ended 31.03.2017	For the year ended 31.03.2016
Number of Non-Resident Shareholders	N.A	N.A
Number of Equity & "B" Equity Shares held by them	N.A	N.A
(i) Amount of Dividend Paid (Gross)	N.A	N.A
Tax deducted at Source	N.A	N.A
(ii) Year to which dividend relates	N.A	N.A

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

In terms of our report of even date annexed hereto

For **NANDY HALDER & GANGULI**,
Chartered Accountants
(Firm Registration No. 302017E)

R P Nandy
Partner
Membership No. 051027
Place : Kolkata
Dated : 30th May' 2017.

A K Jagatramka
Chairman &
Managing Director

M Jagatramka
Director

Nitin Daga
Chief Financial Officer

Mukund Chandak
Company Secretary



GUJARAT NRE COKE LIMITED

CIN:L51909WB1986PLC040098

Registered Office:22, Camac Street, Block-C,5th Floor, Kolkata-700016

Phone: +91-33-2289-1471; Fax: 91-33-2289-1470; Email: investor@gujaratnre.com; web: www.gujaratnre.com

ATTENDANCE SLIP

Shareholder's Folio Number/ DP Id No. & Client Id No.	Name of the Shareholder (in block letters)	Number of Shares held		
		Equity	"B" Equity	Total
Email :				

I hereby record my presence at the 30th Annual General Meeting of the Company to be held at Rotary Sadan, 94/2 Chowringhee Road, Kolkata-700020 on Wednesday, 20th September, 2017 at 11.00 a.m.

Name of the Proxy*
(IN BLOCK LETTERS)

(To be filled if the Proxy attends instead of Shareholder)

Signature of the Shareholder/Proxy

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

Note: Please bring the copy of the Annual Report 2016-17 to the Meeting Hall



GUJARAT NRE COKE LIMITED

CIN:L51909WB1986PLC040098

Registered Office:22, Camac Street, Block-C,5th Floor, Kolkata-700016

Phone: +91-33-2289-1471; Fax: 91-33-2289-1470; Email: investor@gujaratnre.com; web: www.gujaratnre.com

PROXY FORM

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies(Management and Administration) Rules,2014

Name of the Shareholder(s):

Registered Address:

E-mail id :

Folio No./ Dp Id & Client Id No. :

I/We, being the member(s), holding shares of Gujarat NRE Coke Limited hereby appoint:

- (1) Name
Address
E-mail id Signature or failing him/her
- (2) Name
Address
E-mail id Signature or failing him/her
- (3) Name
Address
E-mail id Signature

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting (AGM) of the Company, to be held on Wednesday, 20th September, 2017 at 11.00 a.m. at Rotary Sadan, 94/2 Chowringhee Road, Kolkata-700020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1.	Consider and adopt : a) Audited Financial Statement, Report u/s 134 of the Companies Act, 2013 and Auditors' Report for year ended 31st March, 2017 b) Audited Consolidated Financial Statement for year ended 31st March, 2017
2.	Appointment of a Director in place of Mrs. Mona Jagatramka (DIN 00003316), who retires by rotation and being eligible, offers herself for re-appointment.
3.	Ratification of appointment of Statutory Auditors.
4.	Re-appointment of Chairman & Managing Director
5.	Ratification of Cost Auditors' remuneration.

Signed this day of 2017

Member's Folio/ DP ID- Client ID No. Signature of Shareholder(s)

Signature of Proxy holder(s)

Affix Rupee
One
Revenue
Stamp

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of AGM.
2. For the text of the Resolution, Statement & Notes, please refer to the Notice convening the 30th Annual General Meeting dated 30th May, 2017.



Route map to the **AGM** of

GUJARAT NRE COKE LIMITED

at Rotary Sadan
94/2, Chowringhee Road
Kolkata, West Bengal - 700020



GUJARAT NRE COKE LIMITED

REGISTERED OFFICE

22, Camac Street, Block - C, 5th Floor, Kolkata - 700 016

Phone : +91-33-2289 1471

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