Oorja Resources India Private Limited

Balance Sheet as at March 31, 2017

	Particulars	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.	As at 1st April 2015 Rs.
A	**ASSETS**				
1	**Non- current assets**				
	(a) Property, Plant and Equipment	2.1	-	2,267,506	3,466,313
	(b) Deferred tax assets (net)		-	427,358	427,358
	(c) Other non-current assets	2.2	50,000	150,000	150,000
	Total non-current assets		**50,000**	**2,844,864**	**4,043,671**
2	**Current assets**				
	(a) Financial assets				
	(i) Trade receivables	2.3	-	8,860,220	-
	(ii) Cash and cash equivalents	2.4	11,380,271	10,831,899	11,817,635
	(iii) Other financial assets	2.5	10,394,754	10,000,000	10,567,745
	(b) Other current assets	2.6	287,511,747	1,638,604	1,061,021
	Total current assets		**309,286,772**	**31,330,723**	**23,446,401**
	TOTAL ASSETS		**309,336,772**	**34,175,587**	**27,490,072**
B	**EQUITY AND LIABILITIES**				
1	Equity				
	(a) Equity share capital	2.7	250,000	250,000	250,000
	(b) Other Equity	2.8	39,081	1,876,475	3,642,128
2	**Current liabilities**				
	(a) Financial Liabilities				
	(i)Borrowings	2.9	-	1,568,684	-
	(ii) Trade payables	2.10	23,360,299	30,223,731	23,360,297
	(iii) Other financial liabilities	2.11	285,635,285	171,890	51,180
	(b) Current tax liabilities	2.12	-	-	131,117
	(c) Other current liabilities	2.13	52,107	84,807	55,350
	Total current liabilities		**309,047,691**	**32,049,112**	**23,597,944**
	TOTAL EQUITY AND LIABILITIES		**309,336,772**	**34,175,587**	**27,490,072**
	Significant Accounting Policies	1			
	Notes forming part of the financial statements	2 to 14			

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI FR No. 101961W/W-100036

SD/-
Himanshu Kishnadwala
Partner
Membership No 37391

Place: Mumbai
Date: 25th May 2017

For Oorja Resources India Private Limited

SD/-	SD/-
Archana Mittal	**Shalabh Mittal**
Director	Director
(DIN:00007972)	(DIN:00007919)

Place: Mumbai
Date: 25th May 2017

Oorja Resources India Private Limited

Statement of Profit and Loss for the year ended on March 31, 2017

	Particulars	Note	Year Ended 31st March 2017 Rs.	Year Ended 31st March 2016 Rs.
	INCOME			
	Revenue from operations		-	241,608,513
	Other income	2.14	532,552	2,735
1	**Total Income**		532,552	241,611,248
	EXPENSES:			
	(a) Purchase of coal		-	199,282,008
	(b) Operating Expenses	2.15	12,601	37,155,409
	(c) Finance costs	2.16	1,040	240
	(d) Depreciation and amortisation expense	2.1	538,856	1,111,510
	(e) Other expenses	2.17	1,390,091	5,814,880
2	**Total Expenses**		1,942,588	243,364,047
3	**Profit/(Loss) before tax (1 - 2)**		(1,410,036)	(1,752,799)
4	**Tax expense:**	4.5		
	(a) Excess/(Short) provision for tax of earlier years			(12,853)
	(b) Deferred tax		(427,358)	-
5	**Profit for the period (3 - 4)**		(1,837,394)	(1,765,652)
6	**Other Comprehensive Income**		-	-
7	**Total Comprehensive Income for the Year (5+6)**		**(1,837,394)**	**(1,765,652)**
8	**Earning per share (Equity share of Rs. 10/- Each)**			
	Basic	4.2	(73.50)	(70.63)
	Diluted	4.2	(73.50)	(70.63)
	Significant Accounting Policies	1		
	Notes forming part of the financial statements	2 to 14		

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For C N K & Associates LLP
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Himanshu Kishnadwala
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Membership No 37391

For Oorja Resources India Private Limited

SD/-	SD/-
Archana Mittal	**Shalabh Mittal**
Director	Director
(DIN:00007972)	(DIN:00007919)

Place: Mumbai
Date: 25th May 2017

Oorja Resources India Private Limited

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

	Particulars	Current Year Amount (Rs)	Previous Year Amount (Rs)
A	**Cash flow from operating activities**		
	Net Profit/(Loss) Before Tax	(1,410,036)	(1,752,799)
	Adjustment for:		
	Depreciation	538,856	1,111,510
	Bad Debts and Other balances written off	390	75,152
	Expenses no longer Payable written back	(78,175)	(32)
	Exchange Fluctuation	-	3,881,613
	Interest Expenses	1,040	240
	Profit on Sale of Assets	-	(2,703)
	Interest income	(454,377)	-
	Operating profit/(loss) before working capital changes	(1,402,302)	3,312,981
	Adjustment for:		
	Decrease/(Increase) in Trade receivables	8,859,830	(8,935,371)
	Decrease/(Increase) in Other financial assets	5,824	127,789
	Decrease/(Increase) in Other non current assets	100,000	-
	Decrease/(Increase) in Other current assets	(286,185,424)	(355,053)
	(Decrease)/Increase in Trade payables	(6,785,256)	2,981,853
	Decrease/(Increase) in Other financial liabilities	285,463,395	120,710
	(Decrease)/Increase in Other current liabilities	(32,700)	29,457
	Cash flow from / (used in) Operating activities	23,367	(2,717,634)
B	Direct taxes paid	306,457	(494,289)
	Total cash from / (used in) operating activites	329,824	(3,211,923)
	Cash flow from investing activities		
C	Proceeds from sale of tangible assets	1,728,649	89,998
	Investment in Fixed Deposits	(10,000,000)	10,000,000
	Interest received	59,623	567,745
	Net cash from/ (used in) Investing activities	(8,211,728)	10,657,743
	Cash flow from financing activities		
	Interest on borrowings	(1,040)	(240)
	Proceeds/(Repayments) from/of Short term borrowings	(1,568,684)	1,568,684
	Net Cash from financing activities	(1,569,724)	1,568,444
	Net Increase / (Decrease) in cash and cash equivalents (A + B + C)	(9,451,628)	9,014,264
	Cash and cash equivalents as at beginning of the year (Refer Note 2.4)	10,831,899	1,817,635
	Cash and cash equivalents as at end of the year (Refer Note 2.4)	1,380,271	10,831,899
	Cash and cash equivalents comprise of:		
	Cash and Bank Balances (Refer Note 2.4)	1,380,271	10,831,899

Note:

1) In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit/(Loss) for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in bracket represent outflows.

2) Previous Year's figures have been regrouped wherever necessary to confirm to the current year's classification.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI FR No. 101961W/W-100036

SD/-
Himanshu Kishnadwala
Partner
Membership No 37391

Place: Mumbai
Date: 25th May 2017

For Oorja Resources India Private Limited

SD/-	*SD/-*
Archana Mittal	**Shalabh Mittal**
Director	Director
(DIN:00007972)	(DIN:00007919)

Place: Mumbai
Date: 25th May 2017

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

A) Equity Share Capital

Particulars	As at March 31,2017		As at March 31,2016		As at April 1,2015	
	No. of shares	Amount(Rs.)	No. of shares	Amount(Rs.)	No. of shares	Amount(Rs.)
Balance at the beginning of reporting period	25,000	250,000	25,000	250,000	25,000	250,000
Add: Shares issued during the year	-		-	-	-	-
Balance at the end of the reporting period	**25,000**	**250,000**	**25,000**	**250,000**	**25,000**	**250,000**

B) Other Equity

Particulars	Reserves and Surplus
	Retained Earnings Amount (Rs.)
Balance at 1 April 2015	3,642,128
Increase/(decrease) during the year	(1,765,652)
Balance at 31 March 2016	1,876,475
Increase/(decrease) during the year	(1,837,394)
Balance at 31 March 2017	39,081

As per our report of even date
For C N K & Associates LLP
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ICAI FR No. 101961W/W-100036

SD/-

Himanshu Kishnadwala
Partner
Membership No 37391

For Oorja Resources India Private Limited

SD/-

Archana Mittal
Director
(DIN:00007972)

SD/-

Shalabh Mittal
Director
(DIN:00007919)

Place: Mumbai
Date: 25th May 2017

OORJA RESOURCES INDIA PRIVATE LIMITED.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS:

1.1 CORPORATE INFORMATION

Oorja Resources India Private Limited was incorporated on 1st September 2009. The company is engaged in the business of trading, transporting and transmitting of all kinds and types of energy and power, and all the materials and resources related to power, energy and minerals like coal, other minerals and materials. The company is a wholly owned subsidiary of Mercator Ltd, which (along with its nominees) holds the entire share capital of the company as on 31st March ,2017.

1.2 SIGNIFICANT ACCOUNTING POLICIES

1.2.1 Basis of preparation:

The 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 Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These Financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as the 'Previous GAAP') used for its statutory reporting requirement in India.

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'.

Authorisation of Financial Statements: The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors and were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 25th May 2017.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The company's financial statements are presented in Indian Rupee (INR), which is also the company's functional and presentation currency.

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1.2.2 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following Certain financial assets and liabilities are measured at fair value.

1.2.3 Use of Estimates:

The preparation of the financial statements in conformity with Ind-AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. These estimates and underlying assumptions are reviewed and on ongoing basis. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

1.2.4 Critical estimates and judgement

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements

1.2.5 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, twelve months has been considered by the Company for the purpose of current- noncurrent classification of assets and liabilities.

1.2.6 Foreign Currencies

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The company's financial statements are presented in Indian Rupee (INR), which is also the company's functional and presentation currency.

(ii) Transaction and balances

Transactions in foreign currencies are translated into functional currency using the exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are generally recognised in Profit or loss. They are deferred in Equity if they relate to qualifying cash flow hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operations.

Foreign exchanges differences regarded as an adjustment to borrowing costs are presented in the statement of Profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of Profit and loss on a net basis within other gains/ (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit or loss are also recognised in Other Comprehensive Income or profit or loss, respectively).

1.2.7 <u>Property, plant and equipment:</u>

Fixed assets are stated at cost of acquisition plus incidental expenses less accumulated depreciation and impairment losses, if any. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on fixed assets is provided on written down value method over the useful life as prescribed by Schedule II of the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, Plant and equipment in terms of the provisions of para D7AA of Ind AS 101.

1.2.8 <u>Impairment of non-financial assets</u>

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

1.2.9 <u>Inventories:</u>

Inventories of coal are carried at lower of cost or net realizable value. Cost is ascertained on first-in-first-out basis.

1.2.10 <u>Cash and cash equivalents:</u>

Cash and cash equivalents in cash flow statement comprise cash in hand and at bank in current and foreign currency accounts. Term deposits having maturity of three months or less are considered as cash equivalents.

1.2.11 <u>Cash Flow Statement</u>

Cash flows are reported using the indirect method, whereby profit/(loss) before tax 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 financial cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.2.12 Borrowing costs:

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

1.2.13 Revenue recognition:

Income from sale of goods: Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of goods are transferred to the customer.

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

1.2.14 Taxation:

Current tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the company.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

1.2.15 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.2.16 Provisions and contingent liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

1.2.17 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market that can be accessed by the company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

1.2.18 <u>Financial Instruments</u>

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) <u>Financial assets</u>

<u>Initial recognition and measurement</u>

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

<u>Subsequent measurement</u>

Subsequent measurement is determined with reference to the classification of the respective financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit and loss.

<u>Debt instruments at amortised cost</u>

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ·Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

<u>Debt instrument at FVTOCI</u>

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income. However The company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss

<u>Debt instrument at FVTPL</u>

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. However currently the company does not have any financial instruments in this category.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, The company decides to classify the same either as at FVTOCI or FVTPL The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

De- recognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPTL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in Other Comprehensive Income are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in Other Comprehensive Income are not reclassified to profit or loss on de-recognition

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition.

B) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL
Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ loss are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities classified and measured at amortized such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

Oorja Resources India Private Limited

Notes forming part of the financial statements

2.1 Property, Plant and Equipment **Amount Rs**

	Property, plant and equipment
	Vehicles
Gross Carrying amount	
Deemed cost as on 1st April 2015	3,466,313
At 1 April 2015	
Additions	-
Disposals	137,149
At 31 March 2016	**3,329,164**
Additions	
Disposals	3,329,164
At 31 March 2017	**-**
Accumulated Depreciation /Impairment	
At 1 April 2015	-
Depreciation charge for the year	1,111,510
Disposals	49,852
At 31 March 2016	**1,061,658**
Depreciation charge for the year	538,856
Disposals	1,600,514
At 31 March 2017	**-**
Net book value	
Balance as at 1 April 2015	**3,466,313**
Balance as at 31 March 2016	**2,267,506**
Balance as at 31 March 2017	**-**

Oorja Resources India Private Limited

Notes forming part of financial statements

2.2 Other non-current assets

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Unsecured, considered good			
Deposit with sales tax authority	50,000	50,000	50,000
Others	-	100,000	100,000
	50,000	150,000	150,000

2.3 Trade receivables

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Secured, considered good			
Trade receivables	-	8,860,220	-
	-	8,860,220	-

Refer Note 9(b) for information about credit risk of trade receivables

2.4 Cash and cash equivalents

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Balances with banks			
in Current accounts	1,380,271	10,831,899	1,817,635
Others			
Fixed Deposits with bank with maturity more than 3 months but less than 12 months	10,000,000	-	10,000,000
	11,380,271	10,831,899	11,817,635

2.5 Other Financial Assets (Current)

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Unsecured, considered good			
Deposit for Premises	10,000,000	10,000,000	10,000,000
Interest accured	394,754	-	567,745
	10,394,754	10,000,000	10,567,745

Oorja Resources India Private Limited

Notes forming part of financial statements

2.6 Other current assets

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Unsecured, considered good			
Prepaid expenses	-	5,824	15,348
VAT refund receivable	440,600	440,600	558,865
Advance payment of tax (net of provisions)	43,862	350,319	-
Advance other than Capital Advances	284,630,519	-	-
Others	2,396,766	841,861	486,808
	287,511,747	1,638,604	1,061,021

2.7 Equity share capital

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Authorised			
50,000 Equity shares of Rs 10/- par value.	500,000	500,000	500,000
	500,000	500,000	500,000
Issued Capital			
25,000 Equity shares of Rs. 10/- each fully paid up	250,000	250,000	250,000
	250,000	250,000	250,000
Subscribed and fully Paid Up Capital			
25,000 Equity shares of Rs. 10/- each fully paid up	250,000	250,000	250,000
	250,000	250,000	250,000

Oorja Resources India Private Limited

Notes forming part of financial statements

Movements in Share Capital

Equity Shares

Particulars	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015	
	Number	Amount (Rs)	Number	Amount (Rs)	Number	Amount (Rs)
Balance at the beginning of the year	25,000	250,000	25,000	250,000	25,000	250,000
Add: Shares issued during the year	-	-	-	-	-	-
Balance at the end of the year	25,000	250,000	25,000	250,000	25,000	250,000

The company has one class of share referred to as equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share and dividend per share as may be declared/proposed by the Board of Directors.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

Shares of the company held by holding company and its nominees

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number	% of holding	Number	% of holding	Number	% of holding
Mercator Limited						
Equity shares of Rs 10/- each fully paid	25,000	100%	25,000	100%	25,000	100%
	25,000	100%	25,000	100%	25,000	100%

Details of each shareholder holding more than 5 % shares in the company:

Name of the shareholder	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
Equity shares of Rs. 10 each fully paid	No of shares	% of holding	No of shares	% of holding	No of shares	% of holding
Mercator Limited (and its nominees)	25,000	100%	25,000	100%	25,000	100%
	25,000	100%	25,000	100%	25,000	100%

2.9 Other Equity

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Retained earnings			
Opening	1,876,475	3,642,128	3,809,385
Add: Net Profit/(Loss) for the year	(1,837,394)	(1,765,652)	(167,257)
Closing	39,081	1,876,475	3,642,128

Nature of Reserves

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the company and are available for distribution to shareholders.

2.9 Borrowings

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Unsecured			
Loan repayable on demand			
From related parties (Holding Company)	-	1,568,684	-
	-	1,568,684	-

2.10 Trade payables

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs	As at 1st April 2015 Rs
Total Outstanding of			
- Micro small and medium enterprises (MSME) (refer Note 4)	-	-	-
- Other than (MSME)	23,360,299	30,223,731	23,360,297
	23,360,299	30,223,731	23,360,297

Refer Note 9(c) for information about liquidity risk of trade payables

Oorja Resources India Private Limited

Notes forming part of financial statements

2.11 Other financial liabilities (Current)

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs
Payables for expenses	140,635	109,725
Advance from customers	285,494,650	62,165
	285,635,285	171,890

2.12 Current tax liabilities

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs
Provision for taxation (net of taxes paid in advance)	-	-
	-	-

2.13 Other current liabilities

Particulars	As at 31st March 2017 Rs	As at 31st March 2016 Rs
Statutory dues payable	52,107	84,807
	52,107	84,807

2.14 Other Income

Particulars	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest income		
On others	454,377	-
Profit on sale of Assets	-	2,703
Expenses no longer payable written back	78,175	32
	532,552	2,735

Oorja Resources India Private Limited

Notes forming part of financial statements

2.15 Operating expenses

Particulars	Year Ended 31st March 2017	Year Ended 31st March 2016
Cargo Handling expenses	-	17,523,778
Customs/Import Duty	-	13,693,666
Port expenses	1,101	2,802,500
Rent	-	1,726,075
Others	11,500	1,409,390
	12,601	37,155,409

2.16 Finance costs

Particulars	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest expenses	1,040	240
	1,040	240

2.17 Other expenses

Particulars	Year Ended 31st March 2017	Year Ended 31st March 2016
Remuneration to whole time director	667,742	900,000
Payment to Auditors		
as Auditors	50,000	86,695
for other matters	29,440	57,708
Professional charges	97,732	211,615
Advertisement	20,000	-
Donation	66,000	66,000
Net loss on foreign currency transactions/translation	-	3,881,613
Motor vehicle expenses	185,670	414,968
Bad Debts and Other balances written off	390	75,152
Miscellaneous expenses	273,117	121,129
	1,390,091	5,814,880

3. Contingent liabilities and Commitments (to the extent not provided for) Rs. Nil (P.Y. Rs. Nil)

4. **<u>Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</u>**

Particulars	**As at 31st March 2017**	**As at 31st March 2016**
Details relating to Micro, Small and Medium enterprises a) Amount remaining unpaid to any supplier at the end of the year: - Principal - Interest	-	-
b) The amount of interest paid by the buyer as per Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), along with the amount of the payment made to the suppliers beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Note: (The above information is given on the basis of intimation received by the Company.)		

The Company has not received any intimation from its vendors regarding the status under the Micro, Small and Medium Enterprise Development Act, 2006. The above information is based on the information compiled by the company and relied upon by the auditors.

5. Disclosures as per Ind AS 24 "Related Party Disclosure "

List of related parties and relationships:

a) Holding Company - Mercator Limited

b) Key Managerial Personnel of the company
   i) Atul Malhotra- Executive Director (Upto 28.12.2016)

c) Fellow and other subsidiaries:
   i) Mercator Petroleum Ltd.
   ii) Mercator Oil & Gas Ltd.
   iii) Mercator FPSO Private Ltd.
   iv) Mercator International Pte. Ltd. (MIL).

Other step down subsidiaries of (MIL) are not included here.

d) Entities in which directors are able to exercise significant control:
   i) MHL Healthcare Limited
   ii) MLL Logistics Private limited
   iii) AHM Investments Private Limited
   iv) Vaitarna Marine Infrastructure Limited
   v) HK Sons Realtors Private Limited
   vi) Premputli Realtors Private Limited
   vii) Sisouli Realtors Private Limited
   viii) Urban Pod Private Limited
   ix) Lotusnest Private Limited
   x) Whosejewellery Marketplace portal LLP.

Details of transactions with other Parties: **(Amount in Rs.)**

Particulars	Directors	Holding company	Fellow and other subsidiaries	Entities in which directors are able to exercise significant control
Transactions during the year				
Loan received during the year				
Mercator Limited	Nil (Nil)	Nil (323,085,000)	Nil (Nil)	Nil (Nil)
Loan repaid during the year				
Mercator Limited	Nil (Nil)	1,568,684 (321,516,316)	Nil (Nil)	Nil (Nil)
Advance given during the year				
Mercator Limited	Nil (Nil)	284,630,518 (Nil)	Nil (Nil)	Nil (Nil)
Reimbursement of expenses during the year				
Mercator Limited	Nil (Nil)	1,728,659 (Nil)	Nil (Nil)	Nil (Nil)
Reimbursement of expenses incurred during the year				
Mercator Limited	Nil (Nil)	2,244 (4,591)	Nil (Nil)	Nil (Nil)
Interest on loan given				
Purchases during the year				
MCS Holdings Pte Ltd	Nil (Nil)	Nil (Nil)	Nil (164,691,068)	Nil (Nil)
Services Received during the Year				
Mercator Ltd	Nil (Nil)	Nil (17,523,778)	Nil (Nil)	Nil (Nil)
Salary paid during the year				
Atul Malhotra – Executive Director	667,742 (900,000)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Outstanding as on 31/03/2017				
Accounts receivable	Nil (Nil)	287,027,284 (Nil)	Nil (Nil)	Nil (Nil)
Accounts payable	Nil (Nil)	Nil (898,323)	Nil (Nil)	Nil (Nil)

Compensation of key management personnel of the company

Particulars	**Current Year Amount in Rs**	**Previous Year Amount in Rs**
Short-term employee benefits	667,742	900,000
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total compensation paid to key management personnel	**667,742**	**900,000**

6. Disclosure as per Ind AS 33 " Earnings per share "

Particulars	**Current Year Amount in Rs**	**Previous Year Amount in Rs**
Net Profit after Tax		
-Basic and Diluted	(18,37,394)	(17,65,652)
Number of Shares used in computing Earning Per Share		
- Basic and Diluted	25,000	25,000
Earning per share (equity shares of face value Rs 10/-)		
-Basic and Diluted (in Rs.)	(73.50)	(70.63)

7. Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013 as applicable , there is no amount necessary to be spent by the company on CSR activities for the year.

8. A. Income tax expense

Particulars	**Current Year Amount in Rs**	**Previous Year Amount in Rs**
Current tax		
Current tax on taxable income for the year		-
Excess/(Short) provision for tax of earlier years	-	12,853
Total Current tax expense	-	
Deferred tax		
Deferred tax charge/(credit)		-
Total deferred income tax expense	4,27,358	
Total Income tax expense	4,27,358	12,853-
Effective Tax Rate	30.31%	0.73%

B. Deferred tax as per Ind AS 12

In the absence of certainty regarding sufficiency of profits , the amount of Rs 4,27,358 which was recognised as deferred tax asset in the previous year has been derecognised in the current year.

9. Financial risk Management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Senior Management.

Market is the risk of loss of future earnings, fair values of future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, and Loans and borrowings.

The company manages market risk through Senior Management, which evaluates and exercises independent control over the entire process of market risk management. The senior management team recommends risk management objectives and policies, which are approved by senior Management and Audit Committee. The activities of the management body include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with marker risk limits and policies.

a) Market Risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rates. There is no risk of Interest since there are no loans in the company in the current year

(ii) Price Risk

The Company is engaged in the business of coal trading which involves a high level of dependence on the production of coal. Thus, demand in these sectors will have a direct impact on the business of the Company. A decline in the demand for coal will adversely affect the business of the company.

Company profitability depends upon the prices of coal. The coal price depends upon factors beyond companies control, including the following:

- the domestic and foreign supply of and demand for coal;
- the domestic and foreign demand for electricity;
- the quantity and quality of coal available from competitors;
- market price fluctuations for emission allowances.

Other Price Risk

Other Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Price risk arises from financial assets such as investments in equity instruments and bonds. As there are no investments held by the company, the company is not exposed to other price risks.

(iii)**Foreign Currency Risk**

The Company's operational activities are mainly carried out in INR ,the measurement and reporting currency of the company. AS at the end of the reporting period, the Company's foreign currency exposures are insignificant. Accordingly, foreign exchange sensitivity analysis is not prepared.

b) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the 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.

Financial assets are written off when where there are 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 made, these are recognized as income in the statement of profit and loss.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. 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 following tables detail the Company’s remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

Maturity Analysis of Significant Financial Liabilities

As at 31st March, 2017	**Total**	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Financial Instruments					
Borrowings	-	-	-	-	-
Trade Payables	23,360,299	23,360,299	-	-	-
Other financial liabilities	285,635,285	285,635,285	-	-	-

As at 31st March, 2016	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Financial Instruments					
Borrowings	1,568,684	1,568,684	-	-	-
Trade Payables	30,223,731	30,223,731	-	-	-
Other financial liabilities	171,890	171,890	-	-	-

As at 1st April, 2015	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Financial Instruments					
Borrowings	-	-	-	-	-
Trade Payables	23,360,297	23,360,297	-	-	-
Other financial liabilities	51,180	51,180	-	-	-

10. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support it's business.
The capital structure of the company comprises issued share capital and all other equity reserves attributable to the equity shareholders of the company.

As at 31st March 2017, the company has only one class of equity shares and has no debt, consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the company allocates its capital for distribution of dividend or re-investment into business based on its long term financial plans.

The debt equity ratio for the year is as under:

Particulars	**31st March, 2017**	**31st March, 2016**	**1st April, 2015**
Borrowings	-	1,568,684	-
Total Debt	**-**	**1,568,684**	**-**
Total Equity	2,89,081	2,126,475	3,892,128
Debt Equity Ratio	-	(0.74)	-

11. Fair Value measurements:

Financial instruments by category

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets:						
At amortised cost						
Cash and cash equivalents	11,380,271	11,380,271	10,831,899	10,831,899	11,817,635	11,817,635
Trade receivables	-	-	8,860,220	8,860,220	-	-
Other Financial assets	10,394,754	10,394,754	10,000,000	10,000,000	10,567,745	10,567,745
Total	**21,775,025**	**21,775,025**	**29,692,119**	**29,692,119**	**22,385,380**	**22,385,380**
Financial liabilities:						
At amortised cost						
Borrowings	-	-	1,568,684	1,568,684	-	-
Other financial liabilities	285,635,285	285,635,285	171,890	171,890	51,180	51,180
Trade and other payables	23,360,299	23,360,299	30,223,731	30,223,731	23,360,297	23,360,297
Total	**308,995,584**	**308,995,584**	**31,964,305**	**31,964,305**	**23,411,477**	**23,411,477**

Fair value measurements recognised in the statement of balance sheet:

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
Fair value of cash and short-term deposits, security deposits, trade and other short term receivables, trade payables and other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
The fair values of non-current borrowings are based on carrying amount of loan. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

An analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12. Disclosure in respect of specified bank notes held and transacted:

Particulars	**Specified Bank Notes (SBNs)**	**Other denomination notes and coins**	**Total Rs**
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

Specified Bank Notes is defined notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016." as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees. The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30.12.2016' is understood to be applicable in case of SBNs only.

13. First time adoption of Indian Accounting Standards (Ind AS)

These are the company's first financial statements prepared in accordance with Ind AS

The company has adopted Indian Accounting standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April 2016, with a transition date of 1st April, 2015. Ind AS 101- First-time Adoption of India Accounting Standards required that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March 2017 for the company, be applied retrospectively and consistently for all financial years presented.

Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101

1. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
2. Reconciliation of Balance sheet as at March 31, 2016
3. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
4. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016
5. Reconciliation of Net Profit for the year ended March 31, 2016

The presentation requirements under Previous GAAP differ from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the Financial Statements of the company prepared in accordance with Previous GAAP

A. Exemptions and exceptions availed

Set out below are the applicable IND-AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to IND-AS.

A.1 IND-AS optional exemptions

A.1.1 Deemed Cost

IND-AS 101 permits a first – time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to IND-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

A.2 IND-AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with IND-ASs at the date of transition to IND-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IND-AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with IND-AS at the date of transition as these were not required under previous GAAP :

Impairment of financial assets based on expected credit loss model.

A.2.2 De-recognition of financial assets and liabilities

IND-AS 101 requires a first – time adopter to apply the de-recognition provisions of IND-AS 109 prospectively for transactions occurring on or after the date of transition to IND-AS. However, IND-AS 101 allows a first – time adopter to apply the de – recognition requirements in IND-AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply IND-AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of IND-AS 109 prospectively from the date of transition to IND-AS.

A.2.3 Classification and measurement of financial assets

IND-AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to IND-AS.

Oorja Resources India Private Limited

13.1 Reconciliation of Balance Sheet as on April 1, 2015

	Particulars	Regrouped Previous GAAP	Ind AS Adjustments	Ind AS
A	**ASSETS**			
1	**Non- current assets**			
	(a) Property, Plant and equipment	3,466,313		3,466,313
	(b) Deferred tax assets (net)	427,358		427,358
	(c) Other non-current assets	150,000		150,000
	Total non-current assets	**4,043,671**	**-**	**4,043,671**
2	**Current assets**			
	(a) Financial assets			
	(i) Trade receivables	-		-
	(ii) Cash and cash equivalents	11,817,635		11,817,635
	(iii) Other financial assets	10,567,745		10,567,745
	(b) Other current assets	1,061,021		1,061,021
	Total current assets	**23,446,401**	**-**	**23,446,401**
	TOTAL ASSETS	**27,490,072**	**-**	**27,490,072**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	250,000		250,000
	(b) Other Equity	3,642,128		3,642,128
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i)Borrowings	-		-
	(ii) Trade payables	23,360,297		23,360,297
	(iii) Other financial liabilities	51,180		51,180
	(b) Current tax liabilities	131,117		131,117
	(c) Other current liabilities	55,350		55,350
	Total current liabilities	**23,597,944**	**-**	**23,597,944**
	TOTAL EQUITY AND LIABILITIES	**27,490,072**	**-**	**27,490,072**

Oorja Resources India Private Limited

13.2 Reconciliation of Balance Sheet as on March 31, 2016

	Particulars	Regrouped Previous GAAP	Ind AS Adjustments	Ind AS
A	**ASSETS**			
1	**Non- current assets**			
	(a) Property, Plant and equipment	2,267,506		2,267,506
	(b) Deferred tax assets (net)	427,358		427,358
	(c) Other non-current assets	150,000		150,000
	Total non-current assets	**2,844,864**	**-**	**2,844,864**
2	**Current assets**			
	(a) Financial assets			
	(i) Trade receivables	8,860,220		8,860,220
	(ii) Cash and cash equivalents	10,831,899		10,831,899
	(iii) Other financial assets	10,000,000		10,000,000
	(b) Other current assets	1,638,604		1,638,604
	Total current assets	**31,330,723**	**-**	**31,330,723**
	TOTAL ASSETS	**34,175,587**	**-**	**34,175,587**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	250,000		250,000
	(b) Other Equity	1,876,475		1,876,475
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i)Borrowings	1,568,684		1,568,684
	(ii) Trade payables	30,223,731		30,223,731
	(iii) Other financial liabilities	171,890		171,890
	(b) Current tax liabilities	-		-
	(c) Other current liabilities	84,807		84,807
	Total current liabilities	**32,049,112**	**-**	**32,049,112**
	TOTAL EQUITY AND LIABILITIES	**34,175,587**	**-**	**34,175,587**

Oorja Resources India Private Limited

13.3 Reconciliation of Profit and Loss for the year ended March 31, 2016

	Particulars	Regrouped Previous GAAP	Ind AS Adjustment	Ind AS
	INCOME			
	Revenue from operations			
	Sale of coal	241,608,513		241,608,513
	Other income	2,735		2,735
1	**Total Income**	241,611,248	-	241,611,248
	EXPENSES:			
	(a) Purchase of coal	199,282,008		199,282,008
	(b) Operating Expenses	37,155,409		37,155,409
	(c) Finance costs	240		240
	(d) Depreciation and amortisation expense	1,111,510		1,111,510
	(e) Other expenses	5,814,880		5,814,880
2	**Total Expenses**	243,364,047	-	243,364,047
3	**Profit before tax (1 - 2)**	(1,752,799)		(1,752,799)
4	**Tax expense:**			
	(a) Excess/(Short) provision for tax of earlier years	-	-	(12,853)
	(b) Deferred tax			-
5	**Profit for the period (3 - 4)**	(1,752,799)	-	(1,765,652)
6	**Other Comprehensive Income**			-
7	**Total Comprehensive Income for the Year**	(1,752,799)	-	(1,765,652)

13.4 Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016

Particulars	As at 31st March 2016	As at 31st March 2015
	Amount Rs.	Amount Rs.
Total Shareholders Fund as per previous GAAP (Indian GAAP)	21,26,475	38,92,128
Total IndAS Adjustments	-	-
Total Shareholders Fund as per previous IND-AS	21,26,475	38,92,128

13.5 Reconciliation of statement of profit and loss for the year ended March 31, 2016

Particulars	Year Ended 31st March 2016
Net Profit after tax as per previous GAAP	17,65,652
Total IndAS Adjustments	-
Total Comprehensive income after tax as per Ind AS	17,65,652

14. Previous year's figures

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

As per our report of even date

For C N K & Associates LLP **Chartered Accountants** **Firm Registration Number. 101961W/W-100036**	**For Oorja Resources India Private Limited**	
SD/-	**SD/-**	**SD/-**
Himanshu Kishnadwala Partner Membership.No. 37391	**Archana Mittal** Director (DIN: 00007972)	**Shalabh Mittal** Director (DIN: 00007919)

Place: Mumbai

Date: 25^{th} May 2017