

# **N.C. AGGARWAL & CO.**

**CHARTERED ACCOUNTANTS**

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New Delhi-110 015. Ph: (O) 25920555-556 (R) 25221561  
E-Mail: nc.aggarwal@gmail.com, nc.a@rediffmail.com

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of JITF COAL LOGISTICS LIMITED**

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

We have audited the accompanying financial statements of **JITF COAL LOGISTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.



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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its losses and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 **Annexure-2**.
  - (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 does not have any pending litigations as on 31st March, 2016;



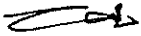
**N.C. AGGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

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ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and

iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 003273N

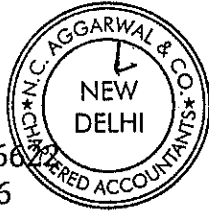


G. K. Aggarwal  
Partner

Membership No. 08662

Date: 26<sup>th</sup> May, 2016

Place: New Delhi



**ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **JITF COAL LOGISTICS LIMITED** on the accounts for the year ended 31st March, 2016)

1. The Company, during the year, does not own any fixed assets. Accordingly, para (i) of the Order related to fixed assets is not applicable to the company.
2. The company does not have inventory. Accordingly, the provision of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
3. According to the information and the explanations given to us, the company has granted unsecured loans to the companies covered in the register maintained under section 189 of the Companies Act 2013.
  - (a) As the aforesaid loan including interest accrued thereon is repayable on demand and therefore, the question of irregularity of payment does not arise.
  - (b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.

However, the company has not given any loan to firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013.

4. 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 Companies Act, 2013 in respect of loans given. The Company has not made any investments and provided any guarantees in terms of Section 185 and 186 of the Companies Act, 2013.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. According to the information and explanations given to us, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues of income tax, sales-tax and value added tax, as applicable to the Company have been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. provident fund, employees' state insurance, service tax, duty of customs, duty of excise, cess as mentioned in para (vii) (a) of the Order.



**N.C. AGGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

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(b) According to the information and explanations given to us, there are no material dues in respect of income tax which have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax as mentioned in para (vii) (b) of the Order.

8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company does not have any dues to financial institutions, government or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. The Company has not paid any managerial remuneration under the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards. However, the provisions of Section 177 are not applicable to the company.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.



**N.C. AGGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

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16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No: 003273N



G. K. Aggarwal  
Partner  
Membership No. 086632  
Date: 26<sup>th</sup> May, 2016  
Place: New Delhi



**ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT**

**Annexure referred to in our report of even date to the members of JITF COAL LOGISTICS LIMITED on the accounts for the year ended 31<sup>st</sup> March, 2016**

**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 JITF COAL LOGISTICS LIMITED ("the Company") as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the 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 and the 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

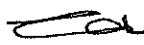
**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 003273N

  
G. K. Aggarwal  
Partner  
Membership No. 086602  
Date: 26<sup>th</sup> May, 2016  
Place: New Delhi



**JITF Coal Logistics Limited**  
**Balance Sheet as at 31st of March 2016**  
**CIN No.U61200UP2011PLC069643**

(Amount in Rs.)

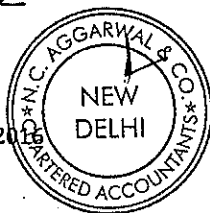
Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015	As at 1st April, 2014
<b>ASSETS</b>				
(1) <b>Non-current assets</b>				
(i) Deferred tax assets (net)	1	51,775	-	-
(2) <b>Current assets</b>				
(a) Financial Assets				
(i) Cash and cash equivalents	2	2,81,42,220	4,02,188	4,38,013
(ii) Loans	3	1,83,19,19,490	-	-
(b) Current Tax Assets (Net)	4	35,92,772	-	-
<b>Total Assets</b>		<b>1,86,37,06,257</b>	<b>4,02,188</b>	<b>4,38,013</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	5	5,00,000	5,00,000	5,00,000
(b) Other Equity		(3,25,533)	(2,09,750)	(1,22,661)
<b>Liabilities</b>				
(1) <b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	6	1,86,31,65,752	-	-
(2) <b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Other financial liabilities	7	3,16,188	1,08,988	60,674
(b) Other current liabilities	8	49,850	2,950	-
<b>Total Equity and Liabilities</b>		<b>1,86,37,06,257</b>	<b>4,02,188</b>	<b>4,38,013</b>

Significant accounting policies and notes to the financial statements

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For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration. No: 003273N

G.K. Aggarwal  
Partner  
M No. 086622  
Dated : 26th May, 2016  
Place: New Delhi



For and on behalf of the Board of Directors of  
JITF Coal logistics Limited

*Rakesh Gupta*  
Rakesh Gupta  
Director  
DIN - 07130110

*Alok Kumar*  
Alok Kumar  
Director  
DIN - 00930344

**JITF Coal Logistics Limited****Statement of Profit and Loss for the year ended March 31, 2016****(Amount in Rs.)**

	Particulars	Note No.	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
I	Revenue From Operations	9	8,55,40,885	-
II	Other Income	10	4,93,89,943	-
III	<b>Total Income (I+II)</b>		<b>13,49,30,828</b>	-
IV	<b>EXPENSES</b>			
	Purchases of Stock-in-Trade	11	8,52,56,444	-
	Finance costs	12	4,92,56,012	-
	Other expenses	13	5,85,930	87,089
	<b>Total expenses (IV)</b>		<b>13,50,98,386</b>	<b>87,089</b>
V	Profit/(loss) before exceptional items and tax (III- IV)		(1,67,558)	(87,089)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax for the year (V-VI)		(1,67,558)	(87,089)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(51,775)	-
IX	Profit/(loss) for the year (VII-VIII)		(1,15,783)	(87,089)
X	Other Comprehensive Income		-	-
XI	Total Comprehensive Income for the year (IX+X)		(1,15,783)	(87,089)
XII	Earnings per equity share of Face value Rs.10/-			
	(1) Basic		(2.32)	(1.74)
	(2) Diluted		(2.32)	(1.74)

Significant accounting policies and notes to the financial statements

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**For N.C. Aggarwal & Co.**

Chartered Accountants

Firm Registration. No: 003273N

**G.K. Aggarwal**

Partner

M No. 086622

Dated : 26th May, 2016

Place: New Delhi

**For and on behalf of the Board of Directors of  
JITF Coal logistics Limited****Rakesh Gupta**

Director

DIN - 07130110

**Alok Kumar**

Director

DIN - 00930344

**IITF Coal Logistics Limited****Cash Flow Statement for the year ended 31st March, 2016**

(Amount in Rs.)

	For the year ended 31st March,2016	For the year ended 31st March,2015
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Profit/(loss) Before Income taxes	(1,67,558)	(87,089)
Interest Expense	4,92,55,861	-
Interest Income	(4,93,89,943)	-
<b>Operating profit before working capital changes</b>	<b>(3,01,640)</b>	<b>(87,089)</b>
Adjustment for:		
Loans and Advances and other assets	(1,83,19,19,490)	-
Other Payables	2,54,100	51,264
<b>Cash earned after change in working capital</b>	<b>(1,83,19,67,030)</b>	<b>(35,825)</b>
Direct taxes paid	(35,92,772)	-
<b>Net cash (used in) operating activities</b>	<b>(1,83,55,59,802)</b>	<b>(35,825)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	4,93,89,943	-
<b>Net cash (used in) investing activities</b>	<b>4,93,89,943</b>	<b>-</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Long term borrowings	1,86,31,65,752	-
Interest paid	(4,92,55,861)	-
<b>Net cash from financing activities</b>	<b>1,81,39,09,891</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,77,40,032</b>	<b>(35,825)</b>
<b>Cash and cash equivalents (opening balance)</b>	<b>4,02,188</b>	<b>4,38,013</b>
<b>Cash and cash equivalents (closing balance)</b>	<b>2,81,42,220</b>	<b>4,02,188</b>
	<b>2,77,40,032</b>	<b>(35,825)</b>

Note: Previous Year figures have been regrouped wherever considered necessary.

As per our report of even date

**For N. C. Aggarwal & Co.**

Chartered Accountants

Firm Registration. No: 003273N

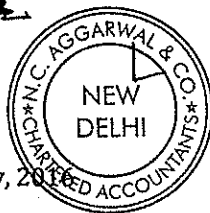
  
**G.K. Aggarwal**

Partner

M No. 086622

Dated : 26th May, 2016

Place: New Delhi

**For and on behalf of the Board of Directors of  
IITF Coal Logistics Limited**  
**Rakesh Gupta**

Director

DIN- 07130110

  
**Alok Kumar**

Director

DIN - 00930344

**STATEMENT OF CHANGES IN EQUITY**

**JITF Coal Logistics Limited**

**Statement of Changes in Equity for the year ended 31st March 2016**

**A. Equity Share Capital**

	(Amount in Rs.)		
	Balance at the beginning of the 1st April, 2014	Changes in equity share capital during the year	Balance at the end of the 31st March, 2015
	5,00,000	-	5,00,000
			5,00,000

**B. Other Equity**

	(Amount in Rs.)			
	Share application money pending allotment	Reserves and Surplus	Items of Other Comprehensive Income	Total
		Retained Earnings	Other items of Other Comprehensive Income	
Balance as at April 1, 2014	-	(1,22,661)	-	(1,22,661)
Total Comprehensive Income for the year 2014-15	-	(87,089)	-	(87,089)
Balance as at March 31, 2015	-	(2,09,750)	-	(2,09,750)
Total Comprehensive Income for the year 2015-16	-	(1,15,783)	-	(1,15,783)
Balance as at March 31, 2016	-	(3,25,533)	-	(3,25,533)


**Significant Accounting Policies and Notes to Financial Statements**


For N.C. Aggarwal & Co.  
Chartered Accountants  
Firm Registration. No: 003273N



G.K. Aggarwal  
Partner  
M No. 086622  
Dated : 26th May, 2016  
Place: New Delhi

For and on behalf of the Board of Directors of  
JITF Coal Logistics Limited

  
Rakesh Gupta  
Director  
DIN - 07130110

  
Alok Kumar  
Director  
DIN - 00930344

**JITF Coal Logistics Limited**  
**Notes forming part of Balance sheet**

(Amount in Rs.)

DESCRIPTION	As at 31st March 2016	As at 31st March 2015	As at 1st April, 2014
<b>1 Deferred Tax Assets (net)*</b>			
<b>(a) Deferred Tax Liability</b>			
Difference between book and tax base related to Fixed assets	-	-	-
Total Deferred Tax Liabilities	-	-	-
<b>(b) Deferred Tax Assets</b>			
Carried forward losses/allowances	51,775	-	-
Total Deferred Tax assets	51,775	-	-
<b>Total Deferred tax assets (net)</b>	<b>51,775</b>	-	-
<b>2 Cash and cash equivalents</b>			
<b>Balance with banks</b>			
In Current Account	2,81,22,586	3,97,622	4,29,621
Cash on Hand	19,634	4,566	8,392
<b>Total Cash and cash equivalents</b>	<b>2,81,42,220</b>	<b>4,02,188</b>	<b>4,38,013</b>
<b>3 Loans</b>			
Loan to Related Party			
Jindal Fittings Ltd	34,53,070	-	-
Jindal ITF Limited	55,69,46,856	-	-
JITF Urban Infrastructure Services Ltd	20,13,86,886	-	-
JITF Water Infrastructure Ltd.	7,07,64,262	-	-
JITF Waterways Ltd	95,92,98,154	-	-
Glebe Trading Pvt Ltd.	4,00,70,262	-	-
<b>Total Loans</b>	<b>1,83,19,19,490</b>	-	-
<b>4 Current Tax Assets (Net)</b>			
TDS Receivable	35,92,772	-	-
<b>Total Current Tax Assets</b>	<b>35,92,772</b>	-	-



**JITF Coal Logistics Limited**  
**Notes forming part of Balance sheet**

(Amount in Rs.)

DESCRIPTION	As at 31st March 2016	As at 31st March 2015	As at 1st April, 2014
<b>5 SHARE CAPITAL</b>			
(a) <b>AUTHORISED SHARE CAPITAL</b> 50,000 Equity Shares of 10/- each	5,00,000	5,00,000	5,00,000
(b) <b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b> 50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000	5,00,000	5,00,000
(c) <b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR</b> Shares outstanding at the beginning of the year Shares outstanding at the end of the year	50,000 50,000	50,000 50,000	50,000 50,000
(d) <b>SHARE OF THE COMPANY HELD BY :-</b> Jindal ITF Limited JITF Shipyards Limited	No of Shares - 50,000	No of Shares - 50,000	No of Shares 50,000 -
(e) <b>SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</b>			
<b>Name of the Shareholder</b>	<b>As at 31st March 2016</b>	<b>As at 31st March 2015</b>	
	<b>No. of Shares Held</b>	<b>% of Holding</b>	<b>No. of Shares Held</b>
JITF Shipyards Limited*	50,000	100.00%	50,000
			<b>% of Holding</b>
			100.00%
* Including 6 Shares (Previous year 6 shares) held by Person/Companies as nominee of JITF Shipyards Ltd.			
(f) <b>Terms/Rights attached to Equity Shares</b>			
The Company has only one class of equity shares having a par value of Rs.10/- per equity share. Each equity shareholder is entitled to one vote per share.			
<b>6 Financial Liabilities</b>			
<b>Long Term Borrowings</b>			
Term Loan from Bank	1,86,31,65,752	-	-
<b>Total Long Term Borrowings</b>	<b>1,86,31,65,752</b>	-	-
*Term loan from Indusind bank Limited Sanctioned Amount Rs 200 crores (Disbursed amount Rs.194 crores) carries interest @ 10.60% p.a. repayable in 3 equal annual installments from December 2018 as follows: FY 2018-19 to FY 2020-21 Rs 64.66 crores each year .Term loan is secured by way of Pledge of Shares of JSW Steel Limited, Jindal Steel and Power Limited or JSW Energy Ltd and Jindal Saw Limited which are held by Glebe Trading Private Limited and Danta Enterprises Pvt Ltd.Loan is also secured by exclusive charge on entire current assets and moveable fixed assets of the company and advances to be extended from proceeds of this facility.			
<b>7 Other Financial Liabilities</b>			
Payable to related party JITF Shipyards Limited	2,00,000	-	-
Other Payable	1,16,188	1,08,988	60,674
<b>Total Other Financial Liabilities</b>	<b>3,16,188</b>	<b>1,08,988</b>	<b>60,674</b>
<b>8 Other Current Liabilities</b>			
Statutory Dues	49,850	2,950	-
<b>Total Other Current Liabilities</b>	<b>49,850</b>	<b>2,950</b>	-



**JITF Coal Logistics Limited**  
**Notes forming part of Balance sheet**

(Amount in Rs.)

<u>DESCRIPTION</u>	For the Year ended 31st March 2016	For the Year ended 31st March 2015
<b>9 Revenue from Operations</b>		
Sale of Goods	8,55,40,885	-
<b>Total Revenue</b>	<b>8,55,40,885</b>	<b>-</b>
<b>10 Other Income</b>		
Interest Received on Loan	4,93,89,943	-
<b>Total Other Income</b>	<b>4,93,89,943</b>	<b>-</b>
<b>11 Purchase of stock in trade</b>		
Purchase of Traded goods	8,52,56,444	-
<b>Total Purchase</b>	<b>8,52,56,444</b>	<b>-</b>
<b>12 Finance Costs</b>		
Interest on Term Loan	4,92,55,861	-
Bank Charges	151	-
<b>Total Finance Costs</b>	<b>4,92,56,012</b>	<b>-</b>
<b>13 Other Expenses:-</b>		
Auditor's Remuneration		
-As Audit Fee	38,058	30,000
Legal and Professional	5,39,730	38,872
Advertisement Expense	-	10,657
Rates and Taxes	3,296	7,359
Printing and Stationery	3,846	-
Insurance Expense	1,000	-
Miscellaneous Expense	-	201
<b>TOTAL</b>	<b>5,85,930</b>	<b>87,089</b>



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### 1. Corporate and General Information

JITF Coal Logistics Limited is a Company incorporated on 16th December 2011 with the main object to carry on the business of Coal Logistic.

#### 2. Basis of preparation

The Company has elected to voluntarily adopt IND AS for the financial year beginning on April 1, 2015 with April 1, 2014 as the date of transition. These are the Company's first annual financial statements prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2014 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as of April 1, 2014 and March 31, 2015 and on the net profit and cash flows for the year ended March 31, 2015 is disclosed in Note no. 12 to these financial statements.

The financial statements provide comparative information in respect to the previous year. In addition, the company presents additional statement of Balance Sheet as at the beginning of the previous year, which is the transition date to IND AS.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

#### 3.0 Significant Accounting Policies

##### 3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except borrowings carried at amortised cost,

##### 3.2 Cash and cash equivalents

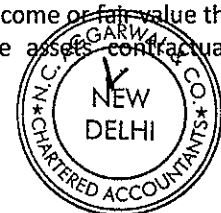
Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

##### 3.3 Financial instruments – initial recognition, subsequent measurement and impairment

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) Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

#### b) Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is depended on initial categorisation. These categories and their classification are as below:

##### i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

##### ii. Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

##### *Trade and other payables*

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### 3.4 Equity share capital

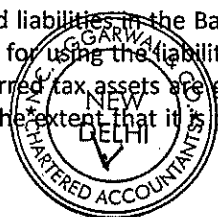
Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

#### 3.5 Taxation

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

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 recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future



# **JITF Coal Logistics Limited**

## **Statement of Significant Accounting Policies & Notes to Financial Statements**

### **Note No- 14**

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.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

#### **3.6 Revenue recognition and other operating income**

##### ***Sale of goods***

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty and excise duty is presented separately to present revenue net of excise duty.

##### ***Other Income***

##### **Interest**

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

#### **3.7 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

#### **3.8 Provisions and contingencies**

##### **Provisions**

Provisions are recognised 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.

##### **Contingencies**

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.



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### 3.9 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### 4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

##### (a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

##### (b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

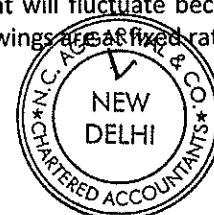
#### 5. Financial risk management

##### 5.1 Financial risk factors

The Company's principal financial liabilities, comprise of borrowings. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, and cash that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

##### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. There is no market risk applicable to the company as the loans and borrowings are at fixed rate of interest.



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### iii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

#### Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities does not expose to interest rate change as the borrowing and loans given are at fixed rate.

#### Liquidity risk

The Company's objective is to; at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company may uses mix of capital infusion and borrowing from its group company. However, the company envisage that in near future there is no liquidity crisis or shortfall as the borrowings are for long term period.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in Rs.)

Particulars	Ageing as at March 31,2016					Total
	Carrying Amount	On demand/ Overdue	< 6 months	6-12 months	> 1 years	
Interest bearing Borrowings	1,86,31,65,752	-	-	-	1,86,31,65,752	1,86,31,65,752
Other financial liabilities	3,16,188	-	3,16,188	-	-	3,16,188
<b>Total</b>	<b>1,86,34,81,940</b>	<b>-</b>	<b>3,16,188</b>	<b>-</b>	<b>1,86,31,65,752</b>	<b>1,86,34,81,940</b>

(Amonut in Rs.)

Particulars	Ageing as at March 31,2015					Total
	Carrying Amount	On demand/ Overdue	< 6 months	6-12 months	> 1 years	
Interest bearing Borrowings	-	-	-	-	-	-
Other financial liabilities	1,08,988	-	1,08,988	-	-	1,08,988
<b>Total</b>	<b>1,08,988</b>	<b>-</b>	<b>1,08,988</b>	<b>-</b>	<b>-</b>	<b>1,08,988</b>

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

#### Unused lines of credit

(Amount in Rs.)

Particulars	As of March 31, 2016	As of March 31, 2015
Secured	6,00,00,000	-
<b>Total</b>	<b>6,00,00,000</b>	<b>-</b>



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### Interest rate and currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest\*

(Amount in Rs.)				
Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted Average Interest Rate%
INR	1,86,31,65,752		1,86,31,65,752	
Total as at March 31, 2016	1,86,31,65,752	-	1,86,31,65,752	10.60%
INR	-	-	-	
Total as at March 31, 2015	-	-	-	

\*There is no floating rate Borrowings therefore there was no interest rate sensitivity.

#### Capital risk management

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2015-16 and 2014-15 is an under.

(Amount in Rs.)		
Particulars	As of March 31, 2016	As of March 31, 2015
Loans and borrowings	1,86,31,65,752	-
Less: cash and cash equivalents	2,81,42,220	4,02,188
Net debt	1,83,50,23,532	(4,02,188)
Total capital	1,74,468	2,90,250
Capital and net debt	1,83,51,98,000	(1,11,938)
Gearing ratio	100%	359%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

#### 6. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in Rs.)						
Particulars	As at March 31, 2016		As at March 31, 2015		As at 1st April, 2014	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>						
Cash and bank balances	2,81,42,220	2,81,42,220	4,02,188	4,02,188	4,38,013	4,38,013
Other financial assets	1,83,19,19,490	1,83,19,19,490	-	-	-	-
	<b>1,86,00,61,710</b>	<b>1,86,00,61,710</b>	<b>4,02,188</b>	<b>4,02,188</b>	<b>4,38,013</b>	<b>4,38,013</b>
<b>Financial liabilities designated at amortised cost</b>						
Borrowings - fixed rate	1,86,31,65,752	1,86,31,65,752	-	-	-	-
Other financial liabilities	3,16,188	3,16,188	1,08,988	1,08,988	60,674	60,674
	<b>1,86,34,81,940</b>	<b>1,86,34,81,940</b>	<b>1,08,988</b>	<b>1,08,988</b>	<b>60,674</b>	<b>60,674</b>



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### Fair Valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash, loans, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

#### Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable. Derivatives included interest rate swaps and foreign currency forwards.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

#### Assets / Liabilities for which fair value is disclosed

(Amount in Rs.)

Particulars	As at March 31, 2016		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		1,86,31,65,752	
Other financial liabilities		3,16,188	

(Amount in Rs.)

Particulars	As at March 31, 2015		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		-	
Other financial liabilities		1,08,988	



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

(Amount in Rs.)

Particulars	As at 1st April, 2014		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		-	
Other financial liabilities		60,674	

During the year ended March 31, 2016 and March 31, 2015, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation within level 2 and 3, and quantitative information about significant unobservable inputs for fair value measurements within Level 3 of the fair value hierarchy as of March 31, 2016 and March 31, 2015, respectively:

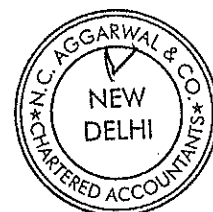
a) **Assets / Liabilities for which fair value is disclosed**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

**7. Income tax expense**

(Amount in Rs.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Current tax	-	-
Deferred tax liability/(Asset) - Relating to origination and reversal of temporary difference Relating to Change in Tax Rate	(51,775)	-
Tax expense attributable to current year's profit	(51,775)	-
<b>Total Tax Expense/(Income)</b>	<b>(51,775)</b>	<b>-</b>



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

**ETR reconciliation for the tax expense**

The reconciliation between tax expense and product of net income before tax multiplied by enacted tax rates in India

(Amount in Rs.)

S.No	Description	For the year ended March 31, 2016	For the year ended March 31, 2015
	Net Loss(Income) before taxes	1,67,558	87,089
	Enacted tax rates	30.900%	-
	Computed tax Income (expense)	51,775	-
	<b>Increase/(reduction) in taxes on account of:</b>		
1	Effect of Change in Tax rate	-	-
	<b>Income tax income/(expense) reported</b>	<b>51,775</b>	<b>-</b>

**8. Deferred income tax**

The analysis of deferred tax assets and deferred tax liabilities is as follows.

(Amount in Rs.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Carried Forward Losses	51,775	-
<b>Total :</b>	<b>51,775</b>	<b>-</b>

**9. Other disclosures**

**a) Auditors Remuneration**

(Amount in Rs.)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<u>Statutory Auditors</u>		
a) Audit Fees	38,058	30,000
<b>Total</b>	<b>38,058</b>	<b>30,000</b>

**b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.**

Loans given mentioned under the respective heads. However, there is no investment made and Guarantees given to the parties mentioned under section 186(4) of the companies Act, 2013.



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

**10. Related party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

**1. Related parties**

**i. Holding Company**

JITF Shipyards Limited (Direct Holding)

Jindal Saw Limited (Indirect Holding through JITF Shipyards Limited)



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

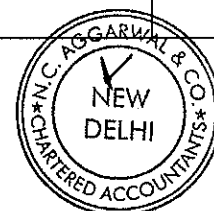
### Note No- 14

#### ii. Fellow Subsidiaries-

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding / Voting Power	
				As at March 31, 2016	As at March 31, 2015
1	Jindal Rail Infrastructure Limited	India	Rail Wagon Manufacturing	100%	100%
2	IUP Jindal Metals & Alloys Limited	India	Precision Stainless steel strips	80.71%	80.71%
3	S.V. Trading Limited	Nevis	Investment holding	100%	100%
4	Quality Iron and Steel Limited	India	Investment	51%	51%
5	Ralael Holdings Limited	Cyprus	Investment holding	100%	100%
6	Jindal Saw Holdings FZE	UAE	Investment holding	100%	100%
7	Greenray Holdings Limited	UK	Investment holding	100%	100%
8	Universal Tube Accessories Private Limited	India	Tool manufacturing	51%	51%
9	Jindal Saw Espana,S.L.	Spain	Trading of pipes	90%	90%
10	Jindal Tubular (India) Ltd.	India	Steel Pipe manufacturing	99.88%	99.88%
11	Jindal ITF Limited	India	Coal Logistics	100%	100%
12	JITF Infralogistics Limited	India	Urban Infrastructure development	100%	100%
13	Jindal Fittings Limited	India	Ductile Iron pipe fittings	-	51%
14	Jindal Quality Tubular Limited	India	Steel Pipe manufacturing	67%	67%
15	Jindal Intellicom Limited	India	BPO and Call centre	98.78%	98.78%
16	JITF Water Infrastructure Limited	India	Water Infrastructure development	100%	100%
17	JITF Urban Infrastructure Limited	India	Urban Infrastructure development	100%	100%
18	JITF Waterways Limited	India	Coal Logistics	100%	100%
19	iCom Analytics Limited	India	Call Centre and advisory	98.78%	98.78%
20	JITF Water Infra (Naya Raipur) Limited	India	Water Infrastructure development	100%	100%
21	JITF ESIP CETP (Sitarganj) Limited	India	Urban Infrastructure development	51%	51%
22	JITF Industrial Infrastructure Development Company Limited	India	Urban Infrastructure development	100%	100%
23	JITF Urban Waste Management (Ferozepur) Limited	India	Urban Infrastructure development	90%	90%
24	JITF Urban Waste Management (Jalandhar) Limited	India	Urban Infrastructure development	90%	90%
25	JITF Urban Waste Management (Bathinda) Limited	India	Urban Infrastructure development	90%	90%
26	Jindal Urban Waste Management (Visakhapatnam) Limited	India	Urban Infrastructure development	100%	-
27	Jindal Urban Waste Management (Guntur) Limited	India	Urban Infrastructure development	100%	-
28	Jindal Urban Waste Management (Tirupati) Limited	India	Urban Infrastructure development	100%	-
29	Timarpur-Okhla Waste Management Company Private Limited	India	Waste to power	100%	100%
30	Jindal Saw Gulf L.L.C.	UAE	Ductile Iron Pipe and Fittings	36.75%	36.75%
31	JITF Shipping & Logistics (Singapore) Pte. Limited	Singapore	Ocean going shipping	100%	100%
32	Jindal Tubular U.S.A. LLC	USA	Steel Pipe manufacturing	100%	100%
33	World Transload & Logistics LLC	USA	Investment holding	100%	100%
34	5101 Boone LLP	USA	Property holding	100%	100%
35	Tube Technologies INC	USA	Pipes for oil and gas	100%	100%
36	Jindal Saw USA, LLC	USA	Pipes for oil and gas	100%	100%
37	Jindal Saw Italia S.P.A.	Italy	Ductile Iron Pipe manufacturing	100%	100%
38	Jindal Saw Middle East FZC	UAE	Ductile Iron Pipe and Fittings manufacturing	75%	75%
39	Derwent Sand SARL	Algeria	Trading of pipes	99.62%	99.62%
40	Helical Anchors INC	USA	Helical anchor manufacturing	100%	100%
41	Boone Real Property Holding LLC	USA	Property holding	100%	100%
42	Drill Pipe International LLC	USA	Tools and fittings	100%	100%
43	Jindal Urban Infrastructure Services Limited	India	Urban Infrastructure development	100%	100%
44	Jindal International FZE	UAE	Investment holding	100%	-

Joint venture where investment is held by direct and indirect subsidiaries -

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding / Voting	
				As at March 31, 2016	As at March 31, 2015
1	JWIL-SSIL (JV)	India	EPC Business	60%	60%
2	SMC-JWIL(JV)	India	EPC Business	49%	49%
3	JWIL-RANHILL (JV)	India	EPC Business	75%	75%



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

Joint operations where investment is held by direct and indirect subsidiaries-

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding / Voting	
				As at March 31, 2016	As at March 31, 2015
1	TAPI-JWIL (JV)	India	EPC Business	49%	49%

Associate-

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities	% Shareholding / Voting	
				As at March 31, 2016	As at March 31, 2015
1	Jindal Fittings Limited	India	Ductile iron fittings manufacturing	36%	-

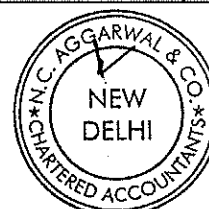
Entities where key management personnel and their relatives exercise significant influence

Glebe Trading Private Limited

Related Party Transactions:

(Amount in Rs.)

Particulars	Holding Company		Subsidiary/Fellow Subsidiary/Entities where KMP and their relatives exercise significant influence	
	Current year	Previous year	Current year	Previous year
<b>Security deposits Received</b>				
Jindal Shipyards Ltd.	2,00,000	Nil	Nil	Nil
<b>Interest Received</b>				
Jindal Saw Limited	2,80,91,413	Nil	Nil	Nil
Jindal Fittings Limited	Nil	Nil	35,23,541	Nil
Jindal ITF Limited	Nil	Nil	90,99,329	Nil
Jindal Tubular (India) Limited	Nil	Nil	5,98,361	Nil
JITF Waterways Limited	Nil	Nil	44,97,954	Nil
Glebe Trading Private Limited	Nil	Nil	11,89,180	Nil
JITF Water Infrastructure Ltd.	Nil	Nil	8,49,180	Nil
JITF Urban Infrastructure Services Limited	Nil	Nil	15,40,984	Nil
<b>Loan Given to</b>				
Jindal Saw Limited	1,28,90,30,000	Nil	Nil	Nil
Jindal Fittings Limited	Nil	Nil	13,11,00,000	Nil
Jindal ITF Limited	Nil	Nil	54,83,00,000	Nil
Jindal Tubular (India) Limited	Nil	Nil	2,50,00,000	Nil
JITF Waterways Limited	Nil	Nil	98,00,30,000	Nil
Glebe Trading Private Limited	Nil	Nil	3,90,00,000	Nil
JITF Water Infrastructure Ltd.	Nil	Nil	7,00,00,000	Nil
JITF Urban Infrastructure Services Limited	Nil	Nil	30,00,00,000	Nil
<b>Loan Received Back</b>				
Jindal Saw Limited	1,28,90,30,000	Nil	Nil	Nil
Jindal Fittings Limited	Nil	Nil	13,11,00,000	Nil
Jindal Tubular (India) Limited	Nil	Nil	2,50,00,000	Nil
JITF Waterways Limited	Nil	Nil	2,50,00,000	Nil
JITF Urban Infrastructure Services Limited	Nil	Nil	10,00,00,000	Nil



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### Related Party Balances-

(Amount in Rs.)

Particulars	Holding Company			Subsidiary/Fellow Subsidiary/Entities where KMP and their relatives exercise significant Influence		
	As at 31st March,2016	As at 31st March,2015	As at 1st April,2014	As at 31st March,2016	As at 31st March,2015	As at 1st April,2014
<b>Closing Balances</b>						
Share Capital Including Share Premium						
JITF Shipyards Limited	5,00,000	5,00,000	NIL	NIL	NIL	NIL
Jindal ITF Limited	NIL	NIL	5,00,000			
Security deposits received						
Jindal Shipyards Ltd.	2,00,000	NIL	NIL	NIL	NIL	NIL
Loan Outstanding*						
Jindal ITF Limited	NIL	NIL	NIL	55,69,46,856	NIL	NIL
JITF Waterways Limited	NIL	NIL	NIL	95,92,98,153	NIL	NIL
Glebe Trading Private Limited	NIL	NIL	NIL	4,00,70,262	NIL	NIL
JITF Water Infrastructure Ltd.	NIL	NIL	NIL	7,07,64,262	NIL	NIL
JITF Urban Infrastructure Services Limited	NIL	NIL	NIL	20,13,86,886	NIL	NIL
Jindal Fittings Limited	NIL	NIL	NIL	34,53,070	NIL	NIL

\*interest credited on loan account.

#### 11. Earnings per share

(Number of shares)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Issued equity shares	50,000	50,000
Weighted average shares outstanding - Basic and Diluted - A	50,000	50,000

Net profit / (Loss) available to equity holders of the company used in the basic and diluted earnings per share was determined as follows:

(Amount in Rs.)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit and loss after tax - B	(1,15,783)	(87,089)
Basic Earnings per share (B/A) (₹)	(2.32)	(1.74)
Diluted Earnings per share (B/A) (₹)	(2.32)	(1.74)

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

#### 12. Transition to IND AS

##### Basis of preparation

For all period up to and including the year ended March 31, 2015, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2016, are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

Accordingly, the Company has prepared financial statements which comply with IND AS applicable for periods beginning on or after April 1, 2014, as described in the accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as of April 1, 2014, the Company's date of transition to IND AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as of April 1, 2014 and its previously published Indian GAAP financial statements for the quarter ended March 31, 2015 and year ended March 31, 2015.



# JITF Coal Logistics Limited

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No- 14

#### Exemptions Applied

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2014 opening balance sheet.

Following exemptions availed from other IND AS as per Appendix D of IND AS 101.

1. Fair value of financial assets and liabilities  
The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.
2. Equity issue expenses under IND AS being capital issue expenses on account of GAAP difference in IGAAP and IND AS is provided for in retained earnings from capital work in progress.
3. Preoperative expenses booked under IGAAP in Capital work in Progress, now in IND AS charged to retained earnings.

#### Impact of transition to IND AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial period for the periods previously reported under Indian GAAP following the date of transition to IND AS.

#### Reconciliation of Balance sheet as at April 1, 2014

Particulars	Reference	(Amount in Rs.)		
		As per IGAAP As at March 31, 2014	Adjustments	As per IND AS As at April 1, 2014
<b>ASSETS</b>				
<b>I Non Current Assets</b>				
(a) Capital Work-In-Progress	3	86,040	(86,040)	-
(b) Other Non-Current Assets	2	36,621	(36,621)	-
<b>II Current Assets</b>				
(a) Financial assets				
(i) Cash and cash equivalents		4,38,013	-	4,38,013
<b>Total</b>		<b>5,60,674</b>	<b>(1,22,661)</b>	<b>4,38,013</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		5,00,000	-	5,00,000
(b) Other equity	2		(1,22,661)	(1,22,661)
<b>I Non-current liabilities</b>				
<b>II Current Liabilities</b>				
(a) Financial Liabilities				
(iii) Other financial liabilities		60,674	-	60,674
<b>Total</b>		<b>5,60,674</b>	<b>(1,22,661)</b>	<b>4,38,013</b>



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

Reconciliation of other equity as at April 1, 2014

(Amount in Rs.)		
	Retained earning	Total impact on Other equity
<b>As on April 1, 2014 (IGAAP) (A)</b>	-	-
<b>Adjustments:</b>		
Add: Preoperative and equity issue expenses debited to retained earning	(1,22,661)	(1,22,661)
<b>Total IND AS adjustments (B)</b>	<b>(1,22,661)</b>	<b>(1,22,661)</b>
<b>As on April 1, 2014 (Ind AS) (A) + (B)</b>	<b>(1,22,661)</b>	<b>(1,22,661)</b>

Principal differences between IND AS and Indian GAAP

Measurement and recognition difference for year ended March 31, 2015

a. Financial instruments

i. Fair valuation of financial assets and liabilities

Under Indian GAAP, receivables and payables were measured at transaction cost less allowances for impairment, if any. Under IND AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any. The resulting finance charge or income is included in finance expense or finance income in the Statement of Profit and Loss for financial liabilities and financial assets respectively.

b. Statement of Cash Flows

The impact of transition from Indian GAAP to IND AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under IND AS in Balance Sheet, Statement of Profit and Loss and difference in the definition of cash and cash equivalents and these two GAAP's.

Subsequent reconciliations post transition on 31<sup>st</sup> March 2015

Reconciliation of other equity

(Amount in Rs.)			
	Retained earning	Securities Premium Account	Total impact on Other equity
<b>As at March 31, 2015 (IGAAP) (A)</b>	-	-	-
<b>Adjustments:</b>			
Difference in other equity on transition on April 1, 2014	(1,22,661)	-	(1,22,661)
Add: Difference in profit or loss for 2014-15	(87,089)	-	(87,089)
<b>Total IND AS adjustments (B)</b>	<b>(2,09,750)</b>	<b>-</b>	<b>(2,09,750)</b>
<b>As at March 31, 2015 (Ind AS) (A) + (B)</b>	<b>(2,09,750)</b>	<b>-</b>	<b>(2,09,750)</b>



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

Reconciliation of Balance sheet as at March 31, 2015

(Amount in Rs.)

Particulars	Reference	As per IGAAP	Adjustments	As per IND AS
		As At March 31, 2015		As at March 31, 2015
<b>ASSETS</b>				
<b>I Non Current Assets</b>				
(b) Capital Work-In-Progress	3	1,73,129	(1,73,129)	
(f) Other Non-Current Assets	2	36,621	(36,621)	
<b>II Current Assets</b>				
(b) Financial assets				
(iii) Cash and cash equivalents		4,02,188	-	4,02,188
<b>Total</b>		<b>6,11,938</b>	<b>(2,09,750)</b>	<b>4,02,188</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		5,00,000	-	5,00,000
(b) Other equity	2		(2,09,750)	(2,09,750)
<b>Liabilities</b>				
<b>I Non-current liabilities</b>				
<b>II Current Liabilities</b>				
(a) Financial Liabilities				
(i) Other financial liabilities		1,08,988	-	1,08,988
(b) Other Current Liabilities		2,950	-	2,950
<b>Total</b>		<b>6,11,938</b>	<b>(2,09,750)</b>	<b>4,02,188</b>

Reconciliation of Statement of Profit and Loss for the year ended March 31, 2015

(Amount in Rs.)

Particulars	As per IGAAP	Adjustments	As per IND AS
	Year Ended March 31, 2015		Year ended March 31, 2015
I Revenue from Operations	-	-	-
II Other Income	-	-	-
III Total Income (I+II)	-	-	-
IV Expenses			
Other Expenses	-	87,089	87,089
Total Expenses (IV)	-	87,089	87,089
V Profit/(loss) before exceptional items and tax (III - IV)	-	(87,089)	(87,089)
VI Exceptional Items	-	-	-
VII Profit/(loss) before tax (V - VI)	-	(87,089)	(87,089)
VIII Tax expense:			
(1) Current Tax	-	-	-
(2) Deferred Tax	-	-	-
Total Tax Expense (VIII)	-	-	-
IX Profit/(loss) for the period (VII-VIII)	-	(87,089)	(87,089)
X Other comprehensive income:			
A. Items that will not be reclassified to profit or loss			
(i) Re-measurement gains (losses) on defined benefit plans	-	-	-
Income tax effect	-	-	-
Total Other comprehensive income	-	-	-
XI Total Comprehensive Income for the period (IX+X)	-	(87,089)	(87,089)



**JITF Coal Logistics Limited**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No- 14**

Summary of reconciliation of movement in profit and loss on transition to IND AS for year ended March 31, 2015

(Amount in Rs.)

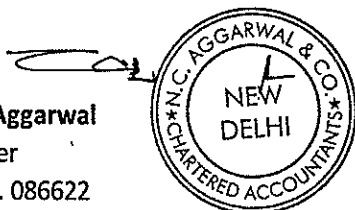
Net profit as per Indian GAAP	-
<b>Add/(Less) :Adjustments on account of transition to IND AS</b>	
Pre-operative expenses debited to Profit and Loss account under IND AS	(87,089.00)
<b>(A) Net Profit as per IND AS</b>	<b>(87,089.00)</b>
<b>(B) Add: Other Comprehensive Income</b>	<b>-</b>
<b>Total Comprehensive Income (A+B)</b>	<b>(87,089.00)</b>

13. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
14. Notes 1 to 14 are annexed to and form an integral part of financial statements.

For N.C. Aggarwal & Co.  
 Chartered Accountants  
 Firm Registration. No: 003273N

For and on behalf of the Board of Directors of  
**JITF Coal logistics Limited**

G.K. Aggarwal  
 Partner  
 M No. 086622  
 Dated : 26th May, 2016



*Rakesh Gupta*  
 Rakesh Gupta  
 Director  
 DIN - 07130110

*Alok Kumar*

Alok Kumar  
 Director  
 DIN - 00930344