

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AMBA RIVER COKE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of AMBA RIVER COKE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 prescribed under section 133 of the Act.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements 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.

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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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- 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 our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/ W-100018)

A handwritten signature in black ink, appearing to read 'A. Siddharth', written in a cursive style.

A. Siddharth
Partner
(Membership No. 31467)

Mumbai, dated: 29 April 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 AMBA RIVER COKE LIMITED ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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.

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Meaning of Internal Financial Controls Over Financial Reporting

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

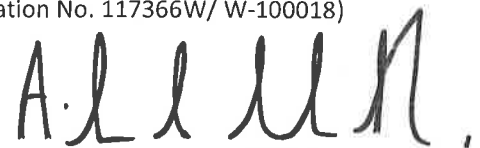
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/ W-100018)



A. Siddharth

Partner

(Membership No. 31467)

Mumbai, dated: 29 April 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and acquired building and hence reporting under paragraph 3(i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investment, provided guarantees or securities during the year and hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. As informed to us the provisions of Employees' State Insurance were not applicable to the Company during the current year.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax as on 31st March, 2016 on account of disputes.

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- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.
- (ix) The Company has neither raised moneys by way of initial public offer/ further public offer (including debt instruments) / term loans nor were such proceeds pending to be applied, during the year and hence reporting under paragraph 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm Registration No. 117366W/ W-100018)



A. Siddharth

Partner

(Membership No. 31467)

Mumbai, dated: 29 April 2016

AMBA RIVER COKE LIMITED
BALANCE SHEET AS AT 31 MARCH 2016

(Rs. in crores)

Particulars	Note no.	As at 31 March 2016	As at 31 March 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	916.87	842.22
(b) Reserves and surplus	3	226.43	111.90
		1,143.30	954.12
(2) Share application money pending allotment		15.03	0.35
(3) Non-current liabilities			
(a) Long-term borrowings	4	788.00	842.49
(b) Other long-term liabilities	5	353.99	-
(b) Long-term provisions	6	2.47	1.96
		1,144.46	844.45
(4) Current liabilities			
(a) Short-term borrowings	7	0.44	344.01
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	25(10)	0.18	0.12
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8	825.15	824.87
(c) Other current liabilities	9	323.74	825.18
(d) Short-term provisions	10	12.24	0.19
		1,161.75	1,994.37
TOTAL		3,464.54	3,793.29
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	2,277.54	2,299.93
(ii) Capital work-in-progress		21.70	9.80
		2,299.24	2,309.73
(b) Non-current investments	12	55.78	55.78
(c) Deferred tax assets (net)	13	54.99	114.42
(d) Long-term loans and advances	14	71.41	14.04
(e) Other non-current assets	18	9.04	8.48
		2,490.46	2,502.45
(2) Current assets			
(a) Inventories	15	383.68	494.16
(b) Trade receivables	16	360.52	638.27
(c) Cash and bank balances	17	9.23	3.43
(d) Short-term loans and advances	14	209.96	147.16
(e) Other current assets	18	10.69	7.82
		974.08	1,290.84
TOTAL		3,464.54	3,793.29

See accompanying notes forming part of the financial statements

1 - 25

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

A. Siddharth

A. SIDDHARTH
Partner

For and on behalf of the Board of Directors

Pradeep Bhargava
PRADEEP BHARGAVA
Director

Ajit Karande
AJIT KARANDE
Wholtime Director

Rajeev Jain
RAJEEV JAIN
Company Secretary

V. Sriram
V. SRIRAM
Chief Financial Officer

Place: Mumbai
Date: 29/04/2016



AMBA RIVER COKE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

(Rs. in crores)

Particulars	Note no.	For the year ended 31 March 2016	For the year ended 31 March 2015
I. Revenue from operations (gross)	19	3,196.16	2,561.66
Less: Excise duty		290.18	222.82
Revenue from operations (net)		2,905.98	2,338.84
II. Other income	20	15.01	4.85
III. Total revenue (I + II)		2,920.99	2,343.69
VI. Expenses:			
Cost of materials consumed	25(9)(D)	2,177.33	1,836.43
Purchases of stock in trade	25(9)(C)(ii)	42.89	100.31
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(0.02)	(29.26)
Employee benefits expense	22	22.83	18.26
Finance costs	23	115.41	89.13
Depreciation expense	11 & 25(3)	106.26	85.28
Other expenses	24	283.50	237.31
Total expenses		2,748.20	2,337.46
V. Profit before tax (III - IV)		172.79	6.23
VI. Tax (benefit) / expense			
(a) Current tax		36.63	1.17
(b) Less: MAT credit entitlement		(37.80)	-
(c) Deferred tax		59.43	(114.42)
Net tax (benefit) / expense		58.26	(113.25)
VII. Profit for the year (V - VI)		114.53	119.48
VIII. Earnings per equity share (face value of Rs.10/- each) :	25(8)		
Basic		1.27	1.55
Diluted		1.26	1.53
See accompanying notes forming part of the financial statements	1 - 25		

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants


A. SIDDHARTH
Partner

For and on behalf of the Board of Directors


PRADEEP BHARGAVA
Director

RAJEEV JAIN
Company Secretary

AJIT KARANDE
Wholetime Director

V. SRIRAM
Chief Financial Officer

Place: Mumbai

Date: 29/04/2016



AMBA RIVER COKE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016


		(Rs. In crores)	
Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	
A. Cash flow from operating activities			
Profit before tax	172.79	6.23	
Adjustments for :			
Depreciation expense	106.26	85.28	
Unrealised exchange loss (net)	24.02	49.16	
Dividend income	(1.15)	(0.36)	
Interest Income	(0.85)	(0.21)	
Share issue expenses	0.19	0.19	
Finance costs	100.24	68.44	
	228.71	202.50	
Operating profit before working capital changes	401.50	208.73	
Changes in working capital			
Adjustments for (Increase)/decrease in operating assets :			
Inventories	110.48	(331.47)	
Trade receivables	277.75	(637.26)	
Loans and advances*	(96.04)	(52.37)	
Adjustments for Increase/(decrease) in operating liabilities :			
Trade payables	(23.68)	535.12	
Provisions	0.72	0.43	
Other Payables	0.53	(0.82)	
	269.76	(486.38)	
Cash generated from / (used in) operations	671.26	(277.65)	
Direct taxes paid (net)	(21.33)	(4.63)	
Net cash generated from / (used in) operating activities (A)	649.93	(282.29)	
B. Cash flow from Investing activities			
Capital expenditure of fixed assets including capital advances	(356.63)	(268.13)	
Purchase of long term investments	(42.27)	(5.03)	
Bank balances not considered as cash and cash equivalents (net)	1.20	18.04	
Dividend received	1.15	0.36	
Interest received	0.85	0.21	
Net cash used in Investing activities (B)	(395.70)	(254.56)	
C. Cash flow from financing activities			
Proceeds from issue of equity shares	74.30	179.95	
Share application money received	15.03	0.35	
Proceeds from long-term borrowings	238.17	106.77	
Repayment of long-term borrowings	(134.98)	(4.23)	
Share issue expenses	(0.19)	(0.19)	
(Payments) / proceeds from short term borrowings (net)	(343.57)	344.01	
Finance costs paid	(95.98)	(98.59)	
Net cash generated from / (used in) financing activities (C)	(247.22)	528.08	
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	7.00	(8.77)	
Cash and cash equivalents at the beginning of the year	1.43	10.20	
Cash and cash equivalents at the end of the year	8.43	1.43	
Cash and bank balances (refer note 17)	9.23	3.43	
Less : Earmarked balances included above	0.80	2.00	
Cash and cash equivalents (As defined in AS-3, Cash Flow Statements)	8.43	1.43	

* Includes current and non-current

Note:

- The cash flow statement has been prepared under the "indirect method" as set out in Accounting Standard 3 "Cash Flow Statement".
- Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.
- Non cash transaction: Equity shares of Rs. 0.35 crores have been allotted in current year against share application money received in previous year.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants


A. SIDDHARTH
Partner

Place: Mumbai
Date: 29/04/2016

For and on behalf of the Board of Directors


PRADEEP BHARGAVA
Director


RAJEEV JAIN
Company Secretary


AJIT KARANDE
Wholtime Director


V. SRIRAM
Chief Financial Officer



AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Nature of business

The Company is a public limited company which was incorporated during the year 1998 and its 100% shares are owned by JSW Steel Limited (the holding company). The Company is exclusively engaged in manufacturing of Coke and Pellet for JSW Steel Limited. The Company's plant is located at Geetapuram, Dolvi, Taluka Pen, Dist. Raigad, Maharashtra.

Note 1: Significant accounting policies

1.1 Basis of accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

1.3 Inventories

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined by the weighted average cost method.

Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Excise duty related to finished goods stock is included under changes in inventories of finished goods, work-in-progress and stock-in-trade. (Refer note 21).

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.5 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. When significant parts of the main asset is having different useful lives as compared to the main asset, the Company depreciates them separately based on their specific useful lives.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Class of asset	Years
Plant and machinery	10 – 30

1.6 Revenue recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

Revenue from sale of goods is recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Sales include excise duty but exclude sales tax and value added tax.

Export turnover includes related export benefits.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.7 Other income

Interest income is accounted on accrual basis when there is no significant uncertainty as to its realization or collection. Dividend income is accounted for, when the right to receive income is established.

1.8 Fixed Assets

Tangible assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses, if any.

The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till the project is ready for its intended use.

1.9 Foreign currency transactions

Initial recognition

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transaction.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Measurement at Balance Sheet date

Foreign currency monetary items outstanding at the year-end are translated at the exchange rate prevailing as at the balance sheet date. Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.

Exchange differences arising on settlement or conversion of short-term foreign currency monetary items are recognized in the Statement of Profit and Loss or capital work in progress / fixed assets.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortized over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortization is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortized exchange difference is carried under Reserves and surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, is amortized over the period of the contracts if such contracts relate to monetary items as at the balance sheet date.

1.10 Government grants, subsidy and export incentive

Government grants and subsidies are recognized only when there is reasonable assurance that the conditions attached to them will be complied with and grants / subsidies will be received. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

1.11 Investments

Long-term investments are carried individually at cost. Current investments are carried individually, at the lower of cost and fair value. Cost of investment include acquisition charges such as brokerage, fees and duties.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.12 Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

Employee benefits such as salaries, performance incentives, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense in the Statement of Profit and Loss in the period in which the service is rendered.

The cost of compensated absences which is expected to occur within twelve months after the end of the period in which the employee renders the related service, is accounted as under:

- (a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) In case of non-accumulating compensated absences, when the absences occur.

Employee benefits under defined benefit plans such as gratuity fund and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Company's obligations recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

1.13 Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.14 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure.

1.15 Leases

Operating leases

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

1.16 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. The weighted average number of equity shares outstanding during the year is adjusted for events for bonus issue, bonus element in a rights issue to existing shareholder, share split (consolidation of shares). 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.

1.17 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only.



AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

1.18 Impairment of assets

The carrying values of assets /cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

1.19 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes. Contingent assets are not recognized in the financial statements.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rs. in crores)	
	As at 31 March 2016	As at 31 March 2015
	Non-current	Current
Note 2		
Share capital		
a Authorised :		
1,300,000,000 (Previous year 1,300,000,000) equity shares of the par value of Rs.10 each		
	1,300.00	1,300.00
TOTAL	1,300.00	1,300.00
b Issued and subscribed:		
91,68,68,047 (Previous year 842,220,641) equity shares fully paid up		
	916.87	842.22
TOTAL	916.87	842.22
c Reconciliation of number of shares outstanding at the beginning and end of the year :		
Equity share :		
Outstanding at the beginning of the year		
Number of shares	84,22,20,641	66,22,69,806
Amount (Rs.in crores)	842.22	662.27
Issued during the year		
Number of shares	7,46,47,406	17,99,50,835
Amount (Rs.in crores)	74.65	179.95
Outstanding at the end of the year		
Number of shares	91,68,68,047	84,22,20,641
Amount (Rs.in crores)	916.87	842.22
d Rights, preferences and restrictions attached to equity shares		
The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
e Shareholders holding more than 5% shares in the Company is set out below:		
Equity share		
JSW Steel Limited (the holding company) and its nominees	Number of shares %	91,68,68,047 100%
		84,22,20,641 100%
Note 3		
Reserves and surplus		
Surplus / (Deficit) balance in Statement of Profit and Loss		
Opening balance		111.90 (7.58)
Add : Profit for the year		114.53 119.48
Closing balance		226.43 111.90
Note 4		
Long-term borrowings (Secured)		
Rupee term loans from banks	571.49 636.02	215.56 45.71
Foreign currency term loan from bank	216.51 206.47	2.26 2.09
TOTAL	788.00 842.49	217.82 47.80

Foot notes :

(i) **Details of security:**

A Rupee term loans and foreign currency loan from banks are secured as under:

(i) Rupee term loan amounting to Rs. 229.91 crores (previous year 291.73 crores) is secured by first ranking charge / mortgage / collateral on all movable and immovable fixed assets both present and future and on lease hold rights over immovable property of coke oven project situated at Village JuiBapuji, Taluka Alibag, District Raigad, Maharashtra.

(ii) Rupee term loan amounting to Rs. 557.14 crores (previous year Rs. 390.00 crores) is secured by first ranking charge / mortgage / security interest on all movable and immovable fixed assets both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji, Taluka Alibag, District Raigad, Maharashtra.

(iii) 304,373,882 equity shares of the Company held by JSW Steel Limited, the holding company by way of pledge on rupee term loan as disclosed under (i) and (ii) above aggregating Rs. 787.05 crores (previous year Rs. 681.73 crores)

B Foreign currency term loan is secured by first ranking charge / mortgage-

On all movable and immovable fixed assets both present and future and on lease hold rights over immovable property of coke oven project situated at Village JuiBapuji, Taluka Alibag, District Raigad, Maharashtra.

(ii) **Terms of repayment:**

A Rupee term loan from banks of Rs. 787.05 crores is repayable as under :

- Rs. 557.14 crores is repayable in 26 quarterly installments of Rs. 21.428 crores from 30.06.2016 to 30.9.2022.
- Rs. 166.02 crores is repayable in 7 quarterly instalments of Rs. 22.563 crores from 30.06.2016 to 31.12.2017 and Rs. 8.08 crores on 31.03.2018.
- Rs. 63.89 crores is repayable in 6 quarterly instalments of Rs. 9.90 crores from 30.06.2016 to 30.09.2017 and Rs. 4.49 crores on 31.12.2017.

B Foreign currency term loan from bank of Rs. 218.77 crores is repayable as under:

- Instalment of Rs. 2.26 crores is repayable on 28.03.2017.
- Bullet repayment of Rs. 216.51 crores on 28.05.2018.

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Particulars	(Rs. in crores)	
	As at 31 March 2016	As at 31 March 2015
Note 5		
Other long-term liabilities		
Acceptances for capital projects	353.99	-
TOTAL	353.99	-
Note 6		
Long-term provisions		
Provision for employee benefits		
- Provision for gratuity (Refer note 25(5))	1.62	1.31
- Provision for compensated absences	0.85	0.65
TOTAL	2.47	1.96
Note 7		
Short-term borrowings		
Working capital loans from banks (secured)	0.44	69.01
Commercial paper (unsecured)	-	275.00
TOTAL	0.44	344.01
Details of security		
Working capital loans of Rs 0.44 crores (previous year Rs 69.01 crores) are secured by :		
- pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumable stores and spares and book debts / receivables of the Company, both present and future.		
- pari passu second charge on movable properties and immovable properties forming part of the fixed/blocked assets of the company, both present and future.		
Note 8		
Outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	715.45	610.80
Other than acceptances	109.70	214.07
TOTAL	825.15	824.87
Note 9		
Other current liabilities		
Current maturities of long term debt (Refer note 4)	217.82	47.80
Rent and other deposits	0.07	0.04
Retention money for capital projects	79.91	92.49
Acceptances for capital projects	-	566.09
Payables for capital projects	17.28	68.34
Interest accrued but not due on borrowings	4.09	4.09
Statutory liabilities (for TDS, excise duty, service tax, provident fund, professional tax and WCT)	4.53	4.02
Payables on purchase of equity shares	0.04	42.31
TOTAL	323.74	825.18
Note 10		
Short-term provisions		
Provision for employee benefits		
- Provision for gratuity (Refer note 25(5))	0.24	0.09
- Provision for compensated absences	0.16	0.10
Provision for tax (net of advance tax of Rs. 24.79 crores (previous year Nil))	11.84	-
TOTAL	12.24	0.19

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note -11 Fixed assets

PARTICULARS	Gross block					Accumulated depreciation			Net block	
	As at 1 April 2015	Additions	Disposals	As at 31 March 2016	As at 1 April 2015	For the year	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015	As at 31 March 2015
Tangible assets										
Buildings	196.77 (0.20)	0.91 (195.24)	-	197.68 (195.44)	5.38 (0.20)	7.35 (5.18)	12.73 (5.38)	184.95 (190.06)	191.39	-
Plant and machinery ^(a)	2,187.07 (0.06)	82.74 (2,188.34)	-	2,269.81 (2,188.40)	79.91 (0.01)	98.58 (79.90)	178.49 (79.91)	2,091.32 (2,108.49)	2,107.16 (0.06)	
Vehicles	0.35 (0.35)	0.21 (0.00)	-	0.56 (0.35)	0.12 (0.07)	0.08 (0.05)	0.20 (0.12)	0.36 (0.23)	0.23 (0.28)	
Furniture and fixtures	0.89 (0.18)	- (0.55)	-	0.89 (0.73)	0.21 (0.09)	0.09 (0.12)	0.30 (0.21)	0.59 (0.52)	0.68 (0.09)	
Office equipments	0.73 (0.48)	0.01 (0.41)	-	0.74 (0.89)	0.26 (0.08)	0.16 (0.18)	0.42 (0.26)	0.32 (0.63)	0.47 (0.40)	
TOTAL	2,385.81	83.87	-	2,469.68	85.88	106.26	192.14	2,277.54	2,299.93	
Previous year	(1.27)	(2,384.54)	-	(2,385.81)	(0.45)	(85.43)	(85.88)	(2,299.93)	(0.83)	

Previous year figures have been disclosed in the brackets in the table above.

- (a) Additions for the year includes foreign exchange loss of Rs. 66.17 crores (previous year Rs.12.08 crores) capitalised during the year.
(b) Depreciation for the year amounting to Rs. Nil (previous year Rs. 0.15 crores) has been capitalized.
(c) Interest expense on borrowings amounting to Rs. Nil (previous year Rs. 28.60 crores) has been capitalized.



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Particulars	(Rs. in crores)			
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Note 12	Non-current		Current	
Non-current investments (at cost)				
a. Investment in equity instruments of other entity (trade and quoted)				
5754640 fully paid up equity shares of Rs. 10 each of JSW Energy Limited			55.76	55.76
b. Investment in government securities (other than trade and unquoted)				
National savings certificates			0.02	0.02
(Pledged with Deputy Director of Mines, Odisha)				
TOTAL			55.78	55.78
Aggregate amount of quoted Investments			55.76	55.76
Aggregate market value of quoted investments			40.02	68.16
Aggregate amount of unquoted investments			0.02	0.02
Note 13				
Deferred tax assets (net)				
Tax effects of Items constituting deferred tax assets :				
Expenses allowable on payment basis under section 43(B) of the Income tax Act, 1961			0.72	0.70
Carried forward business loss / unabsorbed depreciation			334.10	345.19
Tax effects of Items constituting deferred tax liabilities :				
Difference between book balance and tax balance of fixed assets			(279.83)	(231.47)
Deferred tax assets (net)			54.99	114.42
The Company has recognised deferred tax assets on business loss / unabsorbed depreciation based on management's estimates of future profits considering the long-term non cancellable arrangement with the holding company.				
Note 14				
Long-term / short-term loans and advances				
Unsecured, considered good				
Capital advances	1.93	4.46		
Other loans and advances				
Advance to suppliers				
Related parties (Refer note 25(7))			0.36	1.02
Others	1.01	0.32	31.08	10.02
Security deposits	5.80	5.80	5.57	5.26
Indirect tax balances/recoverables/credits (Cenvat credit, vat credit and service tax credit receivable)	24.87		167.84	130.66
Prepayments and others			5.11	0.20
Advance income tax (Net of provision for tax Nil (previous year Rs. 1.17 crores))		3.46		
Minimum alternate tax credit entitlement	37.80			
TOTAL	71.41	14.04	209.96	147.16
Note 15				
Inventories (At lower of cost and net realisable value)				
Raw materials (Including stock in transit Rs. 144.40 crores (previous year Rs. 177.61 crores))			325.12	452.48
Work-in-progress			2.91	4.72
Semi finished/ finished goods			30.57	26.66
Stores and spares			25.08	10.30
TOTAL			383.68	494.16
Note 16				
Trade receivables (unsecured, considered good)				
Other receivables			360.52	638.27
TOTAL			360.52	638.27
Note 17				
Cash and bank balances				
Cash and cash equivalents				
(a) Cash on hand			0.02	0.01
(b) Balances with banks in current accounts			8.41	1.42
Total			8.43	1.43
Other bank balances				
(a) Balances with banks held as margin money			0.80	2.00
TOTAL			9.23	3.43
Note 18				
Other non-current / current assets				
Interest accrued on trade receivables			7.68	
Unamortised upfront fees	9.04	8.48	3.01	7.82
TOTAL	9.04	8.48	10.69	7.82

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Particulars	(Rs. In crores)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Note 19		
Revenue from operations		
(a) Sale of products		
Sale of manufactured goods (Refer note 25(9)(c)(i))	3,021.38	2,357.65
Sale of traded goods (Refer note 25(9)(c)(ii))	40.64	89.15
(b) Other operating revenues		
Value added tax refund		
Revenue from operations (gross)	134.14	114.86
Less:	3,196.16	2,561.66
(c) Excise duty		
	290.18	222.82
TOTAL	2,905.98	2,338.84
Note 20		
Other income		
Interest on overdue trade receivables (Refer note 25(7))	13.01	4.28
Other interest	0.85	0.21
Dividend from non-current equity investments	1.15	0.36
TOTAL	15.01	4.85
Note 21		
Changes in inventories of finished goods, work-in-progress and stock in trade		
Opening stock :		
Semi finished /finished goods	26.66	-
Work-in-progress	4.72	-
	31.38	-
Closing stock :		
Semi finished /finished goods	30.57	26.66
Work-in-progress	2.91	4.72
	33.48	31.38
	(2.10)	(31.38)
Excise duty on stock of finished goods (net)	2.08	2.12
TOTAL	(0.02)	(29.26)
Note 22		
Employee benefits expense		
Salaries and wages	20.06	15.70
Contribution to provident fund (Refer note 25(5))	0.84	0.67
Gratuity expense (Refer note 25(5))	0.46	0.47
Staff welfare expenses	1.47	1.42
TOTAL	22.83	18.26
Note 23		
Finance costs		
Interest expense on:		
Borrowings		
Advance from customer (Refer note 25(7))	80.73	64.11
Others (buyers credit, letter of credit, cash credit, commercial paper)	4.04	0.16
Other borrowing cost (bank charges, upfront fees and other financing charges)	19.51	8.66
	11.13	16.20
TOTAL	115.41	89.13
Note 24		
Other expenses		
Stores and spares consumed (refer note 25(9)(D))		
Power and fuel	53.72	31.64
Rent	117.59	83.22
Repairs and maintenance	0.30	3.57
Plant and machinery		
Buildings	53.99	33.01
Insurance	1.25	
Rates and taxes	1.92	2.20
Carriage and freight	0.78	0.43
Legal and professional fees	1.97	0.01
Postage, telephone and telex expenses	1.48	1.42
Payment to auditors (refer note 25(9)(A))	0.15	0.14
Miscellaneous expenses*	0.66	0.16
Net loss on foreign currency transactions and translation	8.05	5.92
	41.64	75.59
TOTAL	283.50	237.31

* Miscellaneous expenses include Rs. 50,065 (previous year Nil) towards CSR expenses.

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25

1. Contingent liabilities :

- Claims against the Company not acknowledged as debt - Rs. Nil (Previous year Rs. 2.99)
- Guarantees provided - Rs. 3.00 crores (Previous year Rs. 2.97 crores).

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) - Rs.4.74 crores (Previous year Rs. 31.88 crores).

3. Pursuant to the requirement under Schedule II to the Companies Act, 2013 the Company has, based on the external technical advice, effective 1 April, 2015, identified components (significant parts) of the main asset having different useful lives as compared to the main asset and consequently revised the estimated useful lives of Plant and machinery. Accordingly, the depreciation charge for the year ended 31 March 2016 is lower by Rs.10.07 crores.

4. Derivatives :

- The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The forward exchange contracts entered into by the Company and outstanding are as under:

	Current year	Previous year
Number of contracts	28	15
Type	Buy	Buy
US\$ equivalent (Million)	162.72	90.99
INR equivalent (Crores)	1079.38	569.52

- The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

	Current year		Previous year	
	US\$ equivalent (Million)	INR equivalent (Crores)	US\$ equivalent (Million)	INR equivalent (Crores)
Borrowings	32.98	218.77	33.32	208.56
Acceptances	0.84	5.60	1.26	7.88
Trade payables	6.31	41.88	11.07	69.30
Payables for capital projects	9.34	61.93	99.03	619.83
Interest accrued but not due on borrowings	0.03	0.18	0.03	0.07



AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Employee benefits :

A) Defined contribution plan :

Company's contribution to provident fund Rs. 0.84 crores (previous year Rs. 0.95 crores). (Refer note 22).

B) Defined benefit plan -

The gratuity liability is not funded and the same is accounted for based on third party actuarial valuation. The following table sets out the unfunded status of the defined benefit scheme and the amount recognised in the financial statement

Gratuity:

(Rs. in crores)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Components of employer's expense		
Current service cost	0.20	0.13
Interest cost	0.11	0.09
Actuarial losses	0.15	0.28
Transferred to trial run expense	-	(0.03)
Total expense recognised in the Statement of Profit and Loss (Refer note 22)	0.46	0.47
Actual contribution and benefit payments for the year		
Actual benefit payments	(0.00)	(0.11)
Actual contributions	-	-
Net liability recognised in the Balance Sheet		
Present value of defined benefit obligation	(1.86)	(1.40)
Fair value of plan assets	-	-
Net liability recognised in the Balance Sheet (Refer note 6)	(1.86)	(1.40)
Change in defined benefit obligations during the year		
Present value at beginning of the year	1.40	1.01
Current service cost	0.20	0.13
Interest cost	0.11	0.09
Actuarial losses	0.15	0.28
Benefits paid	(0.00)	(0.11)
Present value at the end of the year	1.86	1.40
Actuarial assumptions		
Discount rate	8.25%	7.96%
Salary escalation	6.00%	6.00%
Attrition	2.00%	2.00%

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Other Disclosures for Gratuity:

Particulars	2015-2016	2014-2015	2013-2014
Present value of defined benefit obligations	1.86	1.40	1.02
Fair value of plan assets	-	-	-
Surplus / (Deficit)	1.86	1.40	1.02
Experience adjustments on plan liabilities – loss/(gain)	0.20	0.12	0.46
Experience adjustments on plan liabilities – gain/(loss)	-	-	-

* Since gratuity plan is non-funded, hence figures in respect of plan assets are nil.

Actuarial assumptions for long-term compensated absences

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Discount rate	8.25%	7.96%
Salary escalation	6.00%	6.00%
Attrition	2.00%	2.00%

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian Assured Lives Mortality (2006-08) Ultimate.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

6. Segment reporting :

The operations of the Company are limited to one segment, namely, manufacturing of inputs used for manufacture of steel products. All the assets and customers of the Company are in India. In view of a single business and geographical segment no further disclosures as per Accounting Standard (AS) 17 -“Segment Reporting” have been made.

7. Related party relationships, transactions and balances :

Parties with whom the Company has entered into transactions during the year:

1) Holding company

JSW Steel Limited

2) Fellow subsidiaries

JSW Steel Coated Products Limited

JSW Steel (Salav) Limited

3) Key management personnel (KMP)

Ajit Karande (Whole-time director)

V. Sriram (Chief financial officer)

Rajeev Jain (Company secretary)

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4) Entities under common control

JSW Cement Limited
Jindal Steel and Power Limited
Jindal Saw Limited
JSW Severfield Structures Limited
JSW Energy Limited
Jindal Stainless Limited
JSW International Trade Corp PTE Limited
Dolvi Minerals & Metals Limited
Dolvi Coke Projects Limited
AVH Private Limited
JSW Techno Projects Management Limited
JSW Jaigarh Port Limited
JSW Investment Private Limited
JSW IP Holding Private Limited

(Rs. in crores)

Particulars	Holding company	Key managerial personnel	Fellow subsidiaries	Entities under common control	Total
Transactions with related parties:					
Purchase of goods					
JSW Steel Limited	167.70	-	-	-	167.70
	(170.00)	-	-	-	(170.00)
Jindal Steel and Power Limited	-	-	-	1.20	1.20
	-	-	-	(1.41)	(1.41)
JSW Energy Limited	-	-	-	108.26	108.26
	-	-	-	(121.94)	(121.94)
JSW International Trade Corp PTE Limited	-	-	-	339.03	339.03
	-	-	-	(137.97)	(137.97)
Others	-	-	30.19	74.61	104.80
	-	-	(6.68)	(75.80)	(82.48)
Total	167.70	-	30.19	523.10	721.00
	(170.00)	-	(6.68)	(337.12)	(513.80)
Sale of goods					
JSW Steel Limited	3038.36	-	-	-	3038.36
	(2741.08)	-	-	-	(2741.08)
Others	-	-	105.49	66.02	171.51
	-	-	(33.16)	(67.38)	(100.54)
Total	3038.36	-	105.49	66.02	3209.85
	(2,741.08)	-	(33.16)	(67.38)	(2,841.62)
Security deposits given					
JSW Steel Limited	-	-	-	-	-
	(3.91)	-	-	-	(3.91)
Total	-	-	-	-	-
	(3.91)	-	-	-	(3.91)

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in crores)

Particulars	Holding company	Key managerial personnel	Fellow subsidiaries	Entities under common control	Total
Issue of equity shares					
JSW Steel Limited	74.65	-	-	-	74.65
	(179.95)	-	-	-	(179.95)
Total	74.65	-	-	-	74.65
	(179.95)	-	-	-	(179.95)
Remuneration					
Ajit Karande	-	0.68	-	-	0.68
	-	(0.46)	-	-	(0.46)
V. Sriram	-	0.36	-	-	0.36
	-	(0.02)	-	-	(0.02)
Rajeev Jain	-	0.53	-	-	0.53
	-	(0.47)	-	-	(0.47)
Total	-	1.57	-	-	1.57
	-	(0.95)	-	-	(0.95)
Expenses incurred on behalf of the Company					
JSW Steel Limited	118.02	-	-	-	118.02
	(78.68)	-	-	-	(78.68)
Dolvi Coke Projects Limited	-	-	-	0.11	0.11
	-	-	-	(0.19)	(0.19)
Total	118.02	-	-	0.11	118.13
	(78.68)	-	-	(0.19)	(78.87)
Commission on guarantee given on behalf of the Company					
JSW Steel Limited	3.47	-	-	-	3.47
	(3.41)	-	-	-	(3.41)
Total	3.47	-	-	-	3.47
	(3.41)	-	-	-	(3.41)
Purchase of equity shares					
JSW Steel Limited	-	-	-	-	-
	(47.34)	-	-	-	(47.34)
Total	-	-	-	-	-
	(47.34)	-	-	-	(47.34)
Other income					
JSW Steel Limited	10.91	-	-	-	10.91
	(4.28)	-	-	-	(4.28)
JSW Steel (Salav) Limited	-	-	2.10	-	2.10
	-	-	-	-	-
Total	10.91	-	2.10	-	13.01
	(4.28)	-	-	-	(4.28)
Other expenses					
JSW Steel Limited	4.04	-	-	-	4.04
	-	-	-	-	-



AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in crores)

Particulars	Holding company	Key managerial personnel	Fellow subsidiaries	Entities under common control	Total
Others	-	-	-	0.07	0.07
	-	-	-	-	-
Total	4.04	-	-	0.07	4.11
	-	-	-	-	-
Guarantees given on behalf of the Company					
JSW Steel Limited	1.95	-	-	-	1.95
	(2.21)	-	-	-	(2.21)
Total	1.95	-	-	-	1.95
	(2.21)	-	-	-	(2.21)
Share application money pending allotment					
JSW Steel Limited	15.03	-	-	-	15.03
	(0.35)	-	-	-	(0.35)
Total	15.03	-	-	-	15.03
	(0.35)	-	-	-	(0.35)
Closing balance of related parties:					
Security deposits / advance given					
JSW Steel Limited	5.72	-	-	-	5.72
	(5.72)	-	-	-	(5.72)
JSW Cement Limited	-	-	-	0.04	0.04
	-	-	-	(0.11)	(0.11)
Others	-	-	-	0.32	0.32
	-	-	-	(0.65)	(0.65)
Total	5.72	-	-	0.36	6.08
	(5.72)	-	-	(0.76)	(6.48)
Trade payables					
Dolvi Minerals & Metals Pvt Limited	-	-	-	-	-
	-	-	-	(41.09)	(41.09)
JSW Severfield Structures Ltd.	-	-	-	0.01	0.01
	-	-	-	(0.02)	(0.02)
JSW Energy Limited	-	-	-	9.76	9.76
	-	-	-	(8.58)	(8.58)
JSW Jaigarh Port Limited	-	-	-	3.15	3.15
	-	-	-	-	-
JSW Steel (Salav) Limited	-	-	6.16	-	6.16
	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	(5.36)	(5.36)
Total	-	-	6.16	12.92	19.08
	-	-	-	(55.04)	(55.04)



AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in crores)					
Particulars	Holding company	Key managerial personnel	Fellow subsidiaries	Entities under common control	Total
Trade receivables					
JSW Steel Limited	338.30	-	-	-	338.30
	(575.62)	-	-	-	(575.62)
Others	-	-	-	13.39	13.39
	-	-	(24.90)	(7.98)	(32.88)
Total	338.30	-	-	13.39	351.69
	(575.62)	-	(24.90)	(7.98)	(608.50)
Corporate guarantees given on behalf of the Company					
JSW Steel Limited	102.12	-	-	-	102.12
	(100.17)	-	-	-	(100.17)
Total	102.12	-	-	-	102.12
	(100.17)	-	-	-	(100.17)

Previous year figures have been disclosed in the brackets in the table above.

8. Earnings per share (EPS) :

Particulars		For the year ended 31 March 2016	For the year ended 31 March 2015
Net Profit for the year (A)	Rs. in crores	114.53	119.48
Equity shares at the beginning of the year	Nos.	842,220,641	662,269,806
Equity shares issued during the year	Nos.	746,474,406	179,950,835
Equity shares at the end of the year	Nos.	916,868,047	842,220,641
Weighted average number of equity shares for basic EPS(B)	nos.	899,732,461	769,120,678
Weighted average number of equity shares for diluted EPS (C)	nos.	907,776,332	780,234,765
Earnings per share - basic (A/B)	Rs.	1.27	1.55
Earnings per share - diluted (A/C)	Rs.	1.26	1.53
Nominal value of equity shares	Rs.	10	10

9. Additional information :

A. Auditors remuneration (excluding service tax)

(Rs. in crores)		
	Current year	Previous year
As audit fees	0.65	0.15
For certification and other services	0.01	0.01
Total	0.66	0.16

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

B. Installed capacities and production :

Class of goods	Current year		Previous year	
	Installed capacity Tonnes	Production Tonnes	Installed capacity Tonnes	Production Tonnes
i) Coke*	1,000,000	9,50,740	1,000,000	767,647
ii) Pellet	4,000,000	25,12,830	4,000,000	1,517,182

Notes:

- 1) As certified by the management, being a technical matter.
- 2) *Includes trial run production Nil (previous year 87,743 MT)

C. Opening stock, sales and closing stock :

i) Manufactured goods

Class of goods	Current year		Previous year	
	Tonnes	Rs. in crores	Tonnes	Rs. in crores
1. Coke				
Opening stock	12,798	17.39	1,939	2.72
Sales*	945,223	1218.74	756,788	1,092.05
Closing stock	18,315	22.18	12,798	17.39
2. Pellet				
Opening stock	10,443	8.07	-	-
Sales	2,512,291	1,441.21	1,506,739	1,090.98
Closing stock	10,982	6.23	10,443	8.07

*Includes trial run sale Rs. Nil (Previous year 87,773 MT valuing Rs. 117.31 crores)

ii) Traded goods

(Rs. in crores)

Class of goods	Current year	Previous year
Opening stock		
Others	-	-
Total	-	-
Purchase		
Coal	42.89	78.00
Others	-	22.31
Total	42.89	100.31
Sales		
Coal	40.64	78.27
Others	-	10.88
Total	40.64	89.15
Closing stock		
Others	-	-
Total	-	-

iii) Work-in-progress

(Rs. in crores)

Description	Current year	Previous year
Coke	2.90	3.25
Pellet	0.01	1.47
Total	2.91	4.72

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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iv) Consumption of materials*

Description	Current year		Previous year	
	Tonnes	Rs. in crores	Tonnes	Rs. in crores
Iron ore fines	2,724,635.92	1142.49	1,743,523.14	970.85
Coal/coke	1,329,372.80	991.09	1,153,316.28	983.19
Others	-	43.75	-	162.50
Total		2,177.33		2,116.54

*Consumption of materials includes Rs. Nil (P.Y. Rs.280.11 crores) which is shown in pre-operative trial run expenses.

D. Value of consumption of directly imported and indigenously obtained raw materials and stores and spares and the percentage of each to total consumption*

Description	Current year		Previous year*	
	Value (Rs. in crores)	% of Total Value	Value (Rs. in crores)	% of Total value
Raw materials				
Imported	1742.53	80	1,859.07	88
Indigenous	434.80	20	257.47	12
Total	2,177.33	100	2,116.54	100
Stores and spares				
Imported	4.45	08	5.30	17
Indigenous	49.27	92	26.34	83
Total	53.72	100	31.64	100

*Consumption of materials includes Rs. Nil (P.Y. Rs.280.11 crores) which is shown in pre-operative trial run expenses.

E. C.I.F. value of imports :

(Rs. in crores)

Description	Current year	Previous year
Capital goods	23.98	14.84
Raw material	1,249.00	1,759.53
Stores and spares	13.84	5.85

F. Expenditure in foreign currency :

(Rs. in crores)

Description	Current year	Previous year
Interest and finance charges	19.37	18.68
Supervision and technical fees	6.25	8.54
Travelling expenses	-	0.02
Sea freight and demurrage	27.79	57.20

10. Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company) :

(Rs. in crores)

Description	Current year	Previous year
Principal amount outstanding as at end of year	0.18	0.12
Interest due on (1) above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payment made to the supplier beyond the appointment day during the period	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of period	-	-
Amount of further interest remaining due and payable in succeeding year	-	-



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AMBA RIVER COKE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

For and on behalf of the Board of directors

Place: Mumbai
Date: 29/04/2016

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PRADEEP BHARGAVA
Director


RAJEEV JAIN
Company Secretary


AJIT KARANDE
Whole-time Director


V. SRIRAM
Chief Financial Officer

