

ACC MINERAL RESOURCES LIMITED (AMRL)

BOARD'S REPORT

TO THE MEMBERS OF ACC MINERAL RESOURCES LIMITED

The Directors take pleasure in presenting the Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS (Standalone)

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Total Operational Income	-	-
Other Income	4,15,26,365	3,24,77,978
Total Income	4,15,26,365	3,24,77,978
Less: Operating Expenditure	14,52,536	1,07,96,438
Profit before interest, Depreciation, Amortization Tax	4,00,73,829	2,16,81,540
Less: Depreciation & Amortization	14,17,810	4,69,174
Less: Finance Cost	-	5,66,70,460
Profit before Tax and Exceptional Item	3,86,56,019	(3,54,58,094)
Exceptional Items	-	-
Profit before Tax	3,86,56,019	(3,54,58,094)
Less: Provision for Taxation (incl. liability for earlier years)	52,23,427	-
Net Profit for the year	3,34,32,592	(3,54,58,094)
EPS - Basic & Diluted	2.74	(26.06)

2. OPERATIONS

The Company had entered into Joint Venture Agreements with Madhya Pradesh State Mining Corporation Limited (MPSMC) for development of four coal blocks (viz. Bicharpur, Marki Barka, Morga IV and Semaria / Piparia) which were originally allocated by the Ministry of Coal to MPSMC. Pursuant to the Orders of the Supreme Court passed in August 2014 and September 2014, the allocation of the aforesaid coal blocks by the Ministry of Coal, Government of India to MPSMC were cancelled. The Ministry of Coal, Government of India has completed the auction of Bicharpur Coal Block in February, 2015 and the Block was allotted to the successful bidder. In terms of the

Government of India directives, claims have been filed for reimbursement of expenses incurred by the Company for mines development.

In accordance with the vesting order, the Bicharpur Coal mine has been handed over to the successful bidder on April 6, 2015. The Company is in discussion with the successful bidder for realization of the investment made in Bicharpur Coal Block.

The re-auction / allocation process of other three coal blocks viz. Marki Barka, Morga IV and Semaria / Piparia Coal Blocks is yet to be carried out by the Ministry of Coal, Government of India.

Except for the interest earned on inter corporate deposit, the Company does not have any income.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. TRANSFER TO RESERVE

No transfer to reserves has been made during the year under review.

5. DEPOSITS

The Company has not accepted any deposits from the public or the Directors during the year under review.

6. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

7. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report.

8. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has given loans to its Joint Venture Companies as well as its Holding Company under

the provisions of Section 186 of the Companies Act, 2013, the details of which are mentioned in the Notes forming part of the Financial Statements.

10. INTERNAL FINANCIAL CONTROLS

The Company being a wholly owned subsidiary of ACC Limited, the internal financial controls of ACC are applicable to the Company. These are adequate and commensurate with the requirements of the Company.

11. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in the ordinary course of business and on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC 2.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Directors

The Board of Directors had appointed Mr Noshir H Italia and Dr I B De as Additional Directors of the Company in the category of Non-Executive/Independent Directors with effect from March 31, 2015, each for a term of five years respectively. Pursuant to the provisions of Section 152(2) and Section 161 of the Companies Act, 2013, the candidature of Mr N H Italia and Dr I B De for appointment as Directors in the category of Non-Executive / Independent Director have been included in the Notice convening the Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Board of Directors has appointed a woman director, Mrs Jer N Dhondy as an Additional Director of the Company with effect from August 13, 2015. Mrs Dhondy holds office up to the date of the forthcoming Annual General Meeting. Accordingly, her candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 15, 2015. Mr Naveen Chadha holds office upto the date of the Annual

General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr Harish Badami who was appointed as a Director of the Company with effect from October 20, 2014, ceased to be a Director of the Company with effect from April 01, 2015.

Mr Rajiv Prasad who was appointed as a Director of the Company with effect from October 24, 2011, ceased to be a Director of the Company with effect from April 09, 2015.

Mr Rajendra Singh Rathore who was appointed as a Director of the Company with effect from April 21, 2011, ceased to be a Director of the Company with effect from April 09, 2015.

Mr Burjor D Nariman who was appointed as a Director of the Company with effect from January 27, 2010, ceased to be a Director of the Company with effect from April 09, 2015.

Mr Madan Lall Narula who was appointed as a Director of the Company with effect from April 21, 2014, ceased to be a Director of the Company with effect from August 03, 2015.

The Board has placed on record its appreciation of the valuable contribution made by Mr Harish Badami, Mr Rajiv Prasad, Mr Rajendra Singh Rathore, Mr Burjor D Nariman and Mr Madan Lall Narula during their respective tenures as Directors of the Company.

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013, Mr Sunil Nayak retires by rotation and being eligible offers himself for re-appointment as a Director of the Company. Accordingly, the proposal for his re-appointment has been included in the Notice convening the Annual General Meeting of the Company.

Independent Directors

a. Declaration of Independence by Directors

The Independent Directors of the Company, viz. Mr Noshir H Italia and Dr I B De have given a declaration to the Company confirming that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

ACC MINERAL RESOURCES LIMITED (AMRL)

b. Independent Directors Meeting

During the year under review, the Independent Directors met once on October 15, 2015. Both the Independent Directors were present for the Meeting.

Appointment and Remuneration of Directors

For the appointment of Directors, the Board considers the qualification, experience, expertise of the candidates in their respective fields, their professional business standing and diversity of the Board. For appointment of Directors other than Independent Directors, in addition to the above criteria, the recommendation, if any, received from the Holding Company would also be considered.

During the year, the Board of Directors decided to pay sitting fees to the Independent Directors of ₹ 5,000/- for each meeting of the Board and Audit Committee attended by them. The representatives of ACC on the Board of Directors of the Company are not paid sitting fees. No other remuneration is paid to the Directors.

Evaluation of the Board and its Committees

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Audit and Nomination and Remuneration Committees.

Appointment of Key Managerial Personnel

During the year 2015, the Company appointed Mr Sariputta Mishra as Manager and Mr Dinesh Sonthalia as Chief Financial Officer and Company Secretary. Both Mr Mishra and Mr Sonthalia are employees of ACC Limited, the Holding Company, deputed as Key Managerial Personnel in the Company and no remuneration is being drawn by them separately from the Company.

13. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- ii. that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2015 and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

14. MEETINGS

Board Meetings

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015, six Board Meetings were held on January 20, 2015, March 31, 2015, April 08, 2015, July 14, 2015, August 13, 2015 and October 15, 2015.

Audit Committee

The Audit Committee comprises the following Members:

- Mr Noshir Italia, (Chairman), Non-Executive / Independent Director
- Dr I B De, Non-Executive/ Independent Director
- Mr Sunil Nayak, Non-Executive Director

During the year, Audit Committee Meetings were held on April 08, 2015, July 14, 2015 and October 15, 2015.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises the following Members:

- Mr Noshir Italia (Chairman), Non-Executive / Independent Director
- Dr I B De, Non-Executive / Independent Director
- Mr Sunil Nayak, Non-Executive Director

During the year, Nomination & Remuneration Committee Meetings were held on April 08, 2015, July 14, 2015, August 13, 2015 and October 15, 2015.

The Company is not required to constitute a Corporate Social Responsibility Committee.

15. DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

The Company does not have Subsidiary or Associate Companies. The following are the Joint Venture Companies:

- MP AMRL (Bicharpur) Coal Company Limited
- MP AMRL (Marki Barka) Coal Company Limited
- MP AMRL (Semaria / Piparia) Coal Company Limited
- MP AMRL (Morga IV) Coal Company Limited

The Company holds 49% equity in each of the four joint venture companies and the balance 51% equity is held by MPSMC.

16. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No. 100186W) who are the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 2013. Your Directors recommend the re-appointment of Messrs. K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2016.

17. VIGIL MECHANISM

As per the provisions of Section 177(9) of the Companies Act, 2013, the Company is required to establish an effective vigil mechanism. The vigil mechanism viz. EthicalView Reporting Policy of ACC Limited, the Holding Company, has been extended to the Company.

18. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with

The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed as “Annexure A”.

19. SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Pramod S Shah & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as “Annexure B”.

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

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

21. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company, hence there is no disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation of the assistance and co-operation received from the Government authorities. Your Directors also acknowledge the unstinted assistance received from ACC Limited, the Holding Company.

For and on behalf of the Board

Sunil K. Nayak Director DIN: 00081466	Jer N Dhondy Director DIN: 07254019
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Mumbai
January 25, 2016

Registered Office:
Cement House
121, Maharshi Karve Road,
Mumbai 400 020

ACC MINERAL RESOURCES LIMITED (AMRL)

ANNEXURE 'A' TO BOARD'S REPORT

FORM No. MGT- 9 EXTRACT OF ANNUAL RETURN as on December 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

CIN	U10100MH1930PLC001612
Registration Date	July 26, 1930
Name of the Company	ACC Mineral Resources Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Public Company
Address of the Registered Office and contact details	Cement House, 121, Maharshi Karve Road, Mumbai 400 020 Tel. No: 022-33024321
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining and development of coal blocks	1010	NIL

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	10	10	0	-	20	20	0	100
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		12194970	12194970	100	-	12194970	12194970	100	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify Directors)	-	20	20	0	-	10	10	0	50
Sub-Total (A)(1)	-	12195000	12195000	100	-	12195000	12195000	100	0

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	12195000	12195000	100	-	12195000	12195000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	12195000	12195000	100	-	12195000	12195000	100	0

ACC MINERAL RESOURCES LIMITED (AMRL)

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	ACC Limited	12194970	100	0	12194970	100	0	0
2	Mr Harish Badami jointly with ACC Limited	05		0	05		0	0
3	Mr Sunil Nayak jointly with ACC Limited	05		0	05		0	0
4	Mr Burjor D Nariman jointly with ACC Limited	05		0	05		0	0
5	Mr Rajendra Singh Rathore jointly with ACC Limited	05	0	0	05	0	0	0
6	Mrs J N Dhondy jointly with ACC Limited	05		0	05		0	0
7	Mr S Viswanathan jointly with ACC Limited	05		0	05		0	0
	Total	12195000	100	0	12195000	100	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	12194970	100		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			12194970	100
2	Mr Harish Badami jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
3	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr Burjor D Nariman jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
5	Mr Rajendra Singh Rathore jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
6	Mrs J N Dhondy jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
7	Mr S Viswanathan jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr Harish Badami jointly with ACC Limited <i>(ceased to be a Director with effect from 01.04.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
2	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0

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Sr. No.	Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
3	Mr Burjor D Nariman jointly with ACC Limited <i>(resigned with effect from 09.04.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
4	Mr Rajendra Singh Rathore jointly with ACC Limited <i>(resigned with effect from 09.04.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
5	Mrs J N Dhondy jointly with ACC Limited <i>(appointed Director with effect from 13.08.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0

Note: None of the Key Managerial Personnel hold shares in the Company.

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹ Crore
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors:

Sr No.	Particulars of Remuneration	Names of Directors		Total Amount ₹
		Mr N H Italia	Dr I B De	
1	Independent Directors			
	• Fee for attending Board / Committee Meetings	30,000	35,000	65,000
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (1)	30,000	35,000	65,000
2	Other Non-Executive Directors			
	• Fee for attending Board / Committee Meetings	0	0	0
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (2)	0	0	0
	Total = (1)+(2)	30,000	35,000	65,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Kindly refer to paragraph on Key Managerial Personnel appearing at Point No. 12 of the Board's Report.

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Sunil K. Nayak
Director

Jer N Dhondy
Director

Mumbai
January 25, 2016

ACC MINERAL RESOURCES LIMITED (AMRL)

ANNEXURE 'B' TO BOARD'S REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ACC Mineral Resources Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ACC Mineral Resources Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on December 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on December 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 1.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure 1).

We further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs.

Pramod S. Shah
Partner

PRAMOD S. SHAH & ASSOCIATES
FCS No.: 334
C P No.: 3804

Place: Mumbai
Date: January 22, 2016

Annexure I

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Apprentices Act, 1961
5. Contract Labour (R&A) Act, 1970
6. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
7. Employees State Insurance Act, 1947
8. Employees Provident Fund & Misc provisions Act, 1952
9. Equal Remuneration Act, 1976
10. Minimum Wages Act, 1948
11. Payment of Bonus Act, 1965
12. Shop and Establishment Act
13. Income Tax Act, 1961
14. Finance Act, 1994

ACC MINERAL RESOURCES LIMITED (AMRL)

INDEPENDENT AUDITORS' REPORT

The Board of Directors of ACC MINERAL RESOURCES LIMITED

Report on the Consolidated Financial Statements for the year ended December 31, 2015

We have audited the accompanying Consolidated Financial Statements of ACC MINERAL RESOURCES LIMITED (the Company) and its 4 joint venture companies which comprises the Consolidated Balance Sheet as at 31st December, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its 4 joint venture companies 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. The respective Board of Directors of the companies included in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give 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 consolidated state of affairs of the Company as at 31st December, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The financial statements of 4 joint venture companies that are consolidated have been audited by us only for the purpose of preparing these consolidated financial statements by the Company and not as Statutory Auditors of those 4 joint venture companies.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated 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 of the Company as on 31st December, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31st December, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations and its impact, if any, on consolidated financial position in Note 20 & 21 to its consolidated financial statements;
 - ii. The Company or the 4 joint venture companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company or any of the 4 joint venture companies.

For K.S.AIYAR & Co
Chartered Accountants
ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 38526

Place of Signature: Mumbai
Date: 25th January, 2016

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.

- (i) (a) The Company and 4 joint venture companies have maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. In our opinion the same is reasonable having regard to the size of the Company and 4 joint venture companies and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (ii) The Company and 4 joint venture companies did not have any inventory so Clauses (ii) a, b and c are not applicable.
- (iii) The Company and 4 joint venture companies have not granted any secured or unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a) and (b) of clause (iii) are not applicable to the Company and 4 joint venture companies.
- (iv) There is an adequate internal control system commensurate with the size of the Company and 4 joint venture companies and the nature of its business for purchase of fixed assets. There is a no continuing failure to correct major weaknesses in internal control system.
- (v) The Company and 4 joint venture companies have not accepted any deposits from public therefore the provisions of section 73 to 76 of the Companies Act, 2013 are not applicable.
- (vi) The Company and 4 joint venture companies did not engage in any manufacturing activities. Therefore the requirement of maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable.
- (vii) (a) During the year there were no employees in the employment of the Company and 4 joint venture companies. Accordingly the Provident Fund and Employees' State Insurance are not applicable to the Company. Further, based on our examination of the records maintained during the year, the Company and 4 joint venture companies are not liable to make any payments towards Investor Education Protection Fund, Sales tax, Wealth tax, Custom duty, Service tax, Excise duty and cess. The Company and 4 joint venture companies have been depositing Profession Tax and Income tax dues with the appropriate authority and there were no undisputed amounts payable thereof which are outstanding, as at December 31, 2015 for the period of more than six months from the date they became payable.
- (b) According to the records of the Company and 4 joint venture companies, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute.
- (c) There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company in its standalone financial statements has accumulated loss at the end of the current financial year. The Company in its standalone financial statements has not incurred cash loss during the current financial year. During the immediately preceding financial year the Company in its standalone financial statements had accumulated losses as at the year end and also had incurred cash losses during the year. 4 joint venture companies have accumulated losses as at year end in current financial year as well as in the preceding financial year and have also incurred cash losses during current financial year as well as in preceding financial year.
- (ix) The Company and 4 joint venture companies have not taken any loans from any financial institution or bank or by way of debentures.
- (x) The Company and 4 joint venture companies have not given any guarantees for loans taken by others from any bank or financial institution.
- (xi) The Company and 4 joint venture companies did not raise any term loans during the year.
- (xii) No fraud on or by the Company and 4 joint venture companies have been noticed or reported during the year.

For K.S.AIYAR & Co.

Chartered Accountants

ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI

Partner

Membership No. 38526

Place of Signature: Mumbai

Date: 25th January, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 2015

Particulars	Note No.	As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
I Equity and Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	3	1,21,95,00,000	1,21,95,00,000
(b) Reserves and Surplus	4	(4,43,41,623)	(6,84,94,411)
(2) Current Liabilities			
Other Current Liabilities	5	4,36,17,283	12,23,86,091
TOTAL		1,21,87,75,660	1,27,33,91,680
II Assets			
(1) Non Current Assets			
(a) Fixed Assets	6		
(i) Tangible assets		2,35,90,486	2,74,59,180
(ii) Capital work-in-progress		23,29,09,049	24,58,92,506
(iii) Intangible Assets under development		16,66,65,827	16,66,65,828
(b) Long term Loans & Advances			
-Long term Loans to JV Companies		37,93,36,654	35,30,65,631
-Capital Advances		1,62,28,391	45,22,78,620
-Rent in Advance		14,000	34,000
-Security Deposit With MPPKVV & others		1,05,97,920	1,06,03,170
(2) Current Assets			
(a) Cash and Bank Balances	7	54,79,977	1,25,26,392
(b) Short term loans & advances	8	37,90,47,408	-
(c) Other Current Assets	9	49,05,948	48,66,353
TOTAL		1,21,87,75,660	1,27,33,91,680
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date For and on behalf of the Board of ACC Mineral Resources Limited,

For K.S. Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI **SUNIL NAYAK** **N H ITALIA**
Partner Director Director
Membership No. 038526 DIN: 00081466 DIN: 00191611

Mumbai,
25th January, 2016 **DINESH KUMAR SONTHALIA**
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST DECEMBER 2015

Particulars	Note No.	For the year ended 31st December, 2015 (₹)	For the year ended 31st December, 2014 (₹)
I Revenue from Operations		-	-
II Other Income			
(i) Interest on Loans & Advances		3,42,69,641	1,57,89,361
(ii) Interest Received on Deposit with Bank		-	16,12,877
(iii) Other income		8,002	-
III Total Revenue		3,42,77,643	1,74,02,238
IV Expenses			
Depreciation and Amortization Expenses	6	14,88,151	4,96,971
Other Expenses			
-Interest		-	5,66,70,460
-Rent		1,05,179	3,83,516
-Rates & Taxes		4,900	4,900
-Audit Fees		3,25,691	2,90,021
-Bank Charges		1,556	1,803
-Consultancy & legal Charges		1,78,369	4,02,140
-Printing & Stationery		3,780	4,29,377
-Security Service Expenses		9,05,670	11,71,914
-Travelling & Conveyance		2,04,881	7,80,508
-General Charges		13,07,387	1,16,54,280
-Diesel for DG set		3,48,644	-
-Tele-Communication & Electricity charges		25,893	1,31,993
-CSR Expenditure		-	27,54,053
-Safety Materials & Site Infrastructure		1,327	6,29,427
-Miscellaneous Expenditure Written off		-	99,250
Total Expenses		49,01,428	7,59,00,613
V Profit / (Loss) before Tax		2,93,76,215	(5,84,98,375)
VI Tax Expenses			
-Current Year Tax	10	52,23,427	-
VII Profit / (Loss) for the year		2,41,52,788	(5,84,98,375)
VIII Earning per Share	13	1.98	(44.47)
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date For and on behalf of the Board of ACC Mineral Resources Limited,

For K.S. Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI **SUNIL NAYAK** **N H ITALIA**
Partner Director Director
Membership No. 038526 DIN: 00081466 DIN: 00191611

Mumbai,
25th January, 2016 **DINESH KUMAR SONTHALIA**
Company Secretary

ACC MINERAL RESOURCES LIMITED (AMRL)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31ST, 2015

Particulars	For the year ended 31st December, 2015 (₹)	For the year ended 31st December, 2014 (₹)
A. Cash flow from operating activities		
1 Net Profit before Tax	2,93,76,215	(5,84,98,375)
Adjustments for :		
2 Depreciation	14,88,151	4,96,971
3 Interest Income	(3,42,69,641)	(1,74,02,238)
4 Interest Expense	-	5,66,70,460
5 Miscellaneous Expenditure	-	99,250
Operating profit before working capital changes	(34,05,275)	1,61,70,544
Adjustments for :		
6 Other receivables	(37,21,34,727)	(16,28,87,729)
7 Other current liabilities	(7,87,68,808)	12,15,53,984
Cash generated from operations	(45,43,08,810)	(5,99,67,677)
8 Direct Taxes - (Net)	(41,51,836)	(32,47,797)
Net Cash flow from operating activities	(45,84,60,646)	(6,32,15,474)
B. Cash flow from investing activities		
9 Purchase of Fixed Assets	(28,301)	(33,62,76,596)
10 Sale / Adjustments of fixed assets	1,53,92,303	-
11 (Increase)/decrease in capital advances	43,60,50,229	(36,18,91,419)
12 Interest received	-	16,12,877
Net cash used in investing activities	45,14,14,231	(69,65,55,138)
C. Cash flow from financing activities		
13 Interest paid	-	(5,66,70,460)
14 Proceeds from issue of Share Capital	-	1,17,00,00,000
15 Loan to Joint Ventures	-	(34,48,34,000)
Net cash used in financing activities-	-	76,84,95,540
Net increase/(decrease) in cash and cash equivalents	(70,46,415)	87,24,928
Cash and cash equivalents - Opening Balance	1,25,26,392	38,01,464
Cash and cash equivalents - Closing Balance	54,79,977	1,25,26,392

- Notes :
- 1 All figures in brackets are outflow
 - 2 Previous Period's figures are regrouped / rearranged wherever necessary.
 - 3 Cash and Cash Equivalents is Cash and Bank Balance as per Balance Sheet.

The notes referred to above form an integral part of the Balance Sheet

As per our report of even date

For and on behalf of the Board of ACC Mineral Resources Limited,

For K.S. Aiyar & Co.

Chartered Accountants

ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI

Partner

Membership No. 038526

SUNIL NAYAK

Director

DIN: 00081466

N H ITALIA

Director

DIN: 00191611

Mumbai,

25th January, 2016

DINESH KUMAR SONTHALIA

Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**1. CORPORATE INFORMATION**

The company is a wholly owned Subsidiary of ACC Limited. The company has entered into four joint ventures in the year 2009 with M.P. State Mining Corporation Limited (MPSMC) for mining and development of four coal blocks allotted to MPSMC by Ministry of Coal.

2. SIGNIFICANT ACCOUNTING POLICIES**(I) Basis of preparation**

- (i) The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and in compliance with provisions of the Companies Act, 2013 and comply with the mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (ii) Financial statements are based on historical cost except where impairment is made and/or revaluation is carried out.
- (iii) Accounting policies have been consistently applied by the Company except as stated otherwise.

(II) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(III) Fixed Assets

- (i) Tangible fixed assets are stated at the cost of acquisition less depreciation.
- (ii) Intangible assets:
 - a. Mineral rights of coal has been recognized as intangible assets under development and valued equivalent to the Equity share capital allotted to The M.P. State Mining Corporation Limited (MPSMC) in lieu thereof in terms of the provisions of Joint Venture Agreements of four Joint Venture Companies.
 - b. Development Expenses has been recognized as intangible assets under development and includes expenses on account of prospecting, expenses for regulatory clearances, exploration and evaluation of coal mines etc. These expenses are carried forward and will be capitalized once the mine starts the commercial production.

(IV) Depreciation/Amortization

Depreciation on tangible fixed assets is provided on straight line method at the rates prescribed in schedule II of the Companies Act, 2013 on a pro-rata basis.

Intangible assets of mine and Infrastructure Development will be amortized based on the coal extracted in proportion of the coal mine reserve of the respective coal block.

(V) Revenue recognition**Dividend and Interest income**

Dividend income is recognized when the right to receive such dividend is established.

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

(VI) Investments

Current investments are carried at lower of cost and fair market value. Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in nature.

(VII) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(VIII) Income taxes

Tax expense comprises of current and deferred tax. The deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of assets.

Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date.

(IX) Contingencies/Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on 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 estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefit is remote.

(X) Segment Reporting

The company operates in one business segment i.e. Development and operation of coal mines. This business segment is regarded as the primary segment. As the company has not yet started its commercial activities, there are no reportable geographical segments.

(XI) Share issue expenses are written off to the statement of Profit and Loss in the year it is incurred.

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 3: SHARE CAPITAL :

	As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
(a) Shares authorized:		
1,30,00,000 Equity Shares of ₹100/- each (Prev. Year 1,30,00,000 Equity shares of ₹100/- each)	1,30,00,00,000	1,30,00,00,000
(b) Shares issued, subscribed and fully paid :		
1,21,95,000 Equity Shares of ₹100/- each (Prev. Year 1,21,95,000 Equity shares of ₹100/- each)	1,21,95,00,000	1,21,95,00,000
(All the Shares are held by ACC Limited, the Holding Company and its nominees)		
	1,21,95,00,000	1,21,95,00,000

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period ;

	Numbers	As at 31-12-2015 (₹)	Numbers	As at 31-12-2014 (₹)
At the beginning of the period	1,21,95,000	1,21,95,00,000	4,95,000	4,95,00,000
Issued during the year	-	-	1,17,00,000	1,17,00,00,000
At the end of the period	1,21,95,000	1,21,95,00,000	1,21,95,000	1,21,95,00,000

(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of Capital.

The Company is having only one class of shares i.e Equity carrying a nominal value of ₹ 100/- per share

Every holder of the equity share of the Company is entitled to one vote per share held

In case the company declares any dividend, the equity shareholders will be entitled to receive the dividend in proportion of the number of shares held by each equity shareholder, after all preferential payments.

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

(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Particulars	31.12.2015	% held	31.12.2014	% held
	Numbers		Numbers	
ACC Limited	1,21,95,000	100%	1,21,95,000	100%
	1,21,95,000	100%	1,21,95,000	100%

NOTE 4 : RESERVES AND SURPLUS

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Surplus				
Balance as per last accounts	(3,63,71,878)	(3,21,22,533)	(6,84,94,411)	(99,96,036)
Profit / (Loss) for the year	2,61,81,072	(20,28,284)	2,41,52,788	(5,84,98,375)
TOTAL	(1,01,90,806)	(3,41,50,817)	(4,43,41,623)	(6,84,94,411)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 5 : OTHER CURRENT LIABILITIES

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
(a) Audit Fees Payable	1,58,158	-	1,58,158	1,63,805
(b) Payable to Others	4,19,05,841	15,53,284	4,34,59,125	12,22,22,286
TOTAL	4,20,63,999	15,53,284	4,36,17,283	12,23,86,091

NOTE 6 : FIXED ASSETS

Amount in ₹

Nature of fixed assets	Gross Block		Depreciation / Amortisation		Net Block		As at 31-12-2014			
	As at 01-01-2015	Additions during the Period	Deductions/ Adjustments	As at 31-12-2015	As at 01-01-2015	Provided during the Period		Deductions/ Adjustments	As at 31-12-2015	As at 31-12-2015
TANGIBLE ASSETS										
Furniture, Fixtures & Equipments	47,73,941	-	4,66,150	43,07,791	3,32,413	6,46,350	91,188	8,87,575	34,20,216	44,41,528
Plant & Machinery	80,00,000	-	-	80,00,000	95,781	5,40,818	-	6,36,599	73,63,401	79,04,219
Land	1,26,40,165	-	-	1,26,40,165	-	-	-	-	1,26,40,165	1,26,40,165
Digital Camera	6,272	-	-	6,272	2,107	4,165	-	6,272	-	4,165
Gps- Oregon	48,000	-	-	48,000	6,597	3,458	-	10,055	37,945	41,403
Printer	3,53,806	-	-	3,53,806	1,18,927	1,06,120	-	2,25,047	1,28,759	2,34,879
Vehicle	23,33,676	28,301	23,61,977	-	1,40,855	1,87,240	3,28,095	-	-	21,92,821
TOTAL	2,81,55,860	28,301	28,28,127	2,53,56,034	6,96,680	14,88,151	4,19,283	17,65,548	2,35,90,486	2,74,59,180
Previous year	1,32,83,636	1,49,27,824	55,600	2,81,55,860	1,99,708	4,98,643	1,671	6,96,680	2,74,59,180	24,58,92,506
Capital Work-In-Progress									23,29,09,049	24,58,92,506
INTANGIBLE ASSETS UNDER DEVELOPMENT										
Mine and Infrastructure Development Expenses									16,66,65,827	16,66,65,828
Total									16,66,65,827	16,66,65,828
Grand Total									42,31,65,362	44,00,17,514

NOTE 7 : CASH & BANK BALANCES

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 1-12-2015 (₹)	As at 31-12-2014 (₹)
Cash & Cash Equivalent				
Cash in hand	1,743	-	1,743	9,016
Bank Balance - Current Account & TDR	54,46,073	32,161	54,78,234	1,25,17,376
TOTAL	54,47,816	32,161	54,79,977	1,25,26,392

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 8 : SHORT TERM LOANS & ADVANCES

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Short term loan to ACC limited (Unsecured, considered good)	37,90,47,408	-	37,90,47,408	-
TOTAL	37,90,47,408	-	37,90,47,408	-

NOTE 9 : OTHER CURRENT ASSETS

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Advances to others	25,29,561	1,96,099	27,25,660	16,09,633
Advance tax (Net of provision for Tax)	21,76,207	-	21,76,207	32,47,798
TDS Receivable	-	4,081	4,081	8,922
TOTAL	47,05,768	2,00,180	49,05,948	48,66,353

10. TAXATION

₹ 52,23,427 (Previous year - Nil) provision for current tax is made as at 31st December, 2015.

11. During the previous year, Company had changed its accounting policy in respect of share issue expenses which hitherto were written off over a period of 60 months were being written off in the year in which same is incurred. Consequently Loss for the previous year was higher by ₹ 102,75,833 and Reserves and surplus were lower by a like amount as compared to its previous policy. There is no change during the Current year.

12. RELATED PARTY DISCLOSURE

(A) Particulars of Holding / Joint Venture Companies

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company
MP AMRL (Semaria) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (Bicharpur) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (MarkiBarka) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (Morga) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)

(B) Transactions with Holding Company ACC Limited.

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
1 Opening Balance of Inter Corporate Deposit	-	34,48,34,000
2 Inter Corporate Deposits Received During the Year	-	75,25,00,000
3 Inter Corporate Deposits paid during the year	-	109,73,34,000
4 Inter Corporate Deposits as at the end of the year	-	-
5 Investment in equity shares received	-	1,17,00,00,000
6 Short term loan to ACC Limited	35,50,00,000	-
7 Interest on Loan (Net of TDS)	2,40,47,408	-
8 Closing balance of Short term loan to ACC Limited	37,90,47,408	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**(C) Transactions with Joint Venture Companies (*)**

Particulars		For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
1	MP AMRL (Semaria) Coal Company Ltd.		
	Opening Balance	2,03,21,935	1,82,93,973
	Transactions during the year		
	-Advance given for expenses	1,56,607	8,67,887
	-Interest Charged on the above (Net of TDS)	3,83,299	11,60,075
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	2,08,61,841	2,03,21,935
2	MP AMRL (Bicharpur) Coal Company Ltd.		
	Opening Balance	56,76,00,376	14,54,14,169
	Transactions during the year		
	-Advance given for expenses	3,75,41,073	40,04,70,200
	-Interest Charged on the above (Net of TDS)	1,09,46,130	2,17,15,486
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	61,60,87,579	56,76,00,376
3	MP AMRL (MarkiBarka) Coal Company Ltd.		
	Opening Balance	10,40,88,206	5,85,58,515
	Transactions during the year		
	- Advance given for expenses	4,09,858	4,06,46,504
	-Interest Charged on the above (Net of TDS)	19,84,536	48,83,187
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	10,64,82,600	10,40,88,206
4	MP AMRL (Morga) Coal Company Ltd.		
	Opening Balance	2,75,033	-
	Transactions during the year		
	- Advance given for expenses	85,153	2,55,190
	-Interest Charged on the above (Net of TDS)	5,154	19,843
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	3,65,340	2,75,033

(*) Transactions with joint venture companies have been disclosed at full value.

13. EARNINGS PER SHARE - [EPS]

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Profit/(Loss) after taxation as per Statement of Profit and Loss	2,41,52,788	(58,498,375)
Weighted average number of Equity shares outstanding	1,21,95,000	13,15,479
Basic earnings per Share (Weighted Average) (face value - ₹ 100 per share)	1.98	(44.47)

(There are no diluted equity shares and hence there is no working for diluted earnings per share)

14. The aggregate amounts of assets, liabilities, income and expenses related to the Company's interest in the four joint ventures companies are as under:

a. Assets :	₹ 34,42,11,658
b. Liabilities :	₹ 15,53,284
c. Income :	₹ 2,798
d. Expenses :	₹ 92,82,598

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

15. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities				Share in profit / (loss)			
	As % of consolidated net assets		Amount ₹		As % of consolidated profit or loss		Amount ₹	
	2015	2014	2015	2014	2015	2014	2015	2014
Parent								
ACC Mineral Resources Limited	102.91	101.48	1,20,93,09,194	1,16,80,04,225	108.19	86.47	2,61,81,072	(5,05,81,993)
Joint Ventures (as per proportionate consolidation)								
Indian								
MP AMRL(Bicharpur) Coal Company Limited	(2.06)	(0.92)	(2,42,32,546)	(1,05,43,399)	(7.71)	12.49	(18,66,272)	(73,08,796)
MP AMRL(Marki Barka) Coal Company Limited	(0.44)	(0.22)	(52,06,137)	(24,90,307)	(0.24)	0.89	(57,207)	(5,22,884)
MP AMRL(Morga) Coal Company Limited	(0.14)	(0.14)	(16,62,207)	(16,03,341)	(0.01)	0.03	(48,063)	(15,840)
MP AMRL(Semaria) Coal Company Limited	(0.27)	(0.20)	(30,49,927)	(23,61,589)	(0.23)	0.12	(56,742)	(68,862)
TOTAL	100.00	100.00	1,17,51,58,377	1,15,10,05,589	100.00	100.00	2,41,52,788	(5,84,98,375)

Note : The above figures are after eliminating intra group transactions and intra group balances as at December 31, 2015

16. Non-current investment of ₹ 196,00,000 and Long term loans and advances of ₹ 37,93,36,654 are realisable/recoverable from four JV Companies. The Company considers these as fully realisable/recoverable from the respective JV Companies once the monies are received by the said JV Companies upon reallocation/re allotment of their coal blocks to the new allocate in terms of the Coal Mines (Special Provisions) Ordinance 2014 and the model draft tender document published in this regard by the Ministry of Coal, Govt. of India.
17. There is no Micro, Small and Medium enterprises, as defined in the Micro, Small, Medium enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.
18. The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Nil (Previous Year - ₹ 1,51,53,00,000).
19. Pursuant to the enactment of the Companies Act, 2013 (the Act), the Company has, effective 1st January 2015, adopted specified useful life of its fixed assets as per Schedule II to the Act. The Company has also chosen the option of considering residual value, post expiry of life of the asset, to be nil. Had the Company followed the earlier practice, the charge for the depreciation for the year would have been lower by ₹ 6,43,805.
20. Pending litigations by or against the Company are as under:
- Writ Petition filed at Delhi High Court by the Company, in relation to compensation receivable upon cancellation of Bicharpur Coal Block.
 - Writ Petition filed at Delhi High Court by the Company, in relation to compensation receivable upon vesting of land situated outside mining lease area of Bicharpur Coal Block.
 - Writ Petition filed at Jabalpur High Court by MP AMRL (Semaria) Coal Company Limited against invocation of Bank Guarantee by Ministry of Coal pertaining to Semaria / Piparia Coal Block. The court has granted stay against the said invocation of Bank Guarantee.
The impact of above petitions could not be determined as the matter is subjudice.
21. The Company had entered into Joint Venture Arrangements with MPSMCL for development and extraction of coal in relation to four coal blocks (namely Bicharpur, Marki Barka, Morga IV and Semaria/Piparia coal blocks) which were originally allocated to MPSMCL. The allocations stand cancelled as per Supreme Court's decision dated 25th August 2014 read with its order dated 24th September 2014 and fresh Auctioning of the blocks were proposed. In case of Bicharpur coal block, where the Company had progressed with the development of the mine substantially, and invested considerable amounts under the JVA towards tangible and investment assets, the auction has been completed in favour of other successful bidder (Ultratech Cement Limited (UTCL)) and the vesting order for Bicharpur coal mine has been issued by Nominated Authority. In accordance with the vesting order, the Bicharpur JV Company has handed over the Bicharpur Coal mine to the new allottee on 6th April 2015. Subsequent to handing over the mines, the discussion with new allottee is going on for realization of the recorded net assets amount of that JV Company. The Re-auction/allocation process of other three coal blocks namely Marki Barka, Morga IV and Semaria/Piparia coal blocks has not yet been carried out by the Ministry of Coal, Government of India.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

In view of the cancellation of coal blocks and proposed re-auctioning of the same, the JV companies can no longer work towards its intended objects, now that MPSPMCL has ceased to hold any mining rights in such blocks. Consequently, the JV Cos shall continue to only oversee the realization of the value of assets created and other expenses incurred, if any, and handing over those assets to the new allottee's. Hence the four JV Companies can no longer be considered to be operating as 'Going Concerns.

In respect of Bicharpur coal block, the Company has filed a writ petition in Delhi High Court in the month of March 2015, claiming compensation based on actual expenditure incurred till 31st March 2015 as against the compensation amount fixed by Ministry of coal till 31st March 2014. The Company has also filed a separate writ petition in Delhi High Court in the month of October 2015 against the issue of corrigendum to the said vesting order by Ministry of Coal dated 6th August 2015 wherein the Ministry of Coal has further vested the remaining land of Bicharpur coal block which is outside the mining lease area. In respect of the said corrigendum to the vesting order, Delhi High Court in its interim order dated 20th October 2015 has said that "no equities can be made in favour of UTCL, if comes into possession of or does any other works over the said land". The final decision of the Hon'ble court is awaited.

Further, the Company has also communicated to MPSPMCL/ Ministry of Coal its claim for being compensated for the entire amount invested in the JV.

No change in the classification of the assets or adjustments in the carrying value of the assets standing in the books of Company, have been made, as the company does not expect any significant reduction in the value it may realise towards such assets.

Expert opinions on the relevant accounting aspects involved, have been sought.

22. Previous year figures have been regrouped or rearranged wherever found necessary.

As per our report of even date

For K.S. Aiyar & Co.

Chartered Accountants

ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI

Partner

Membership No. 038526

Mumbai,

25th January, 2016

For and on behalf of the Board of ACC Mineral Resources Limited

SUNIL NAYAK

Director

DIN: 00081466

DINESH KUMAR SONTHALIA

Company Secretary

N H ITALIA

Director

DIN: 00191611