

## BOARD'S REPORT

TO THE MEMBERS,  
ACC MINERAL RESOURCES LIMITED

The Directors take pleasure in presenting the Eighty Sixth Annual Report, together with the audited financial statements for the year ended December 31, 2014.

### 1. FINANCIAL HIGHLIGHTS (STANDALONE)

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014 Amount (₹)	2013 Amount (₹)
Total Operational Income	-	-
Other Income	3,24,77,978	-
Total Income	3,24,77,978	-
Less: Operating Expenditure	1,07,96,438	4,73,086
Profit before Interest, Depreciation, Amortization Tax & Exceptional Item	2,16,81,540	(4,73,086)
Less: Depreciation & Amortization	4,69,174	83,890
Less: Finance Cost	5,66,70,460	-
Profit before Tax and Exceptional Item	(3,54,58,094)	(5,57,066)
Exceptional Items	-	-
Profit before Tax	(3,54,58,094)	(5,57,066)
Less: Provision for Taxation(incl. liability for earlier years)	-	1,000
Less: Deferred Tax Liability/assets	-	-
Add: MAT credit entitlement	-	-
Net Profit for the year	(3,54,58,094)	(5,56,066)
EPS- Basic & Diluted	(26.06)	(1.12)

### 2. OPERATIONS

The Company is a joint venture Partner in four coal blocks allocated to Madhya Pradesh State Mining Corporation Ltd, Bhopal. Amongst the four Joint Venture Companies (JVCs), Bicharpur Coal Block in district Shahdol was in an advanced stage

of development and six months away from coal production. The second coal block Marki Barka in district Singrauli was also ready for commencement of mine development activities with all regulatory clearances obtained and land acquisition activities completed. On September 24, 2014 the Hon'ble Supreme Court of India cancelled the allocation of coal blocks by the Government of India to State & private entities during the period of 1993 to 2010. Consequently, the allocation of Marki Barka, Semaria/Piparia and Morga IV coal blocks stood cancelled with immediate effect. However by virtue of and advanced stage of development, Bicharpur Coal Block is liable for de-allocation with effect from March 31, 2015 and the remaining three coal blocks with immediate effect.

In terms of the Government of India directives claims have been filed for re-imbusement of expenses incurred by the Company for mines development. While mining work has been temporarily suspended at Bicharpur following Supreme Court ruling, the safety & security is being maintained at the Bicharpur block in accordance with the ordinance till vesting of the block.

The JVC shall continue it's operations to protect it's rights, for the maintenance of infrastructure, etc. and, accordingly the accounts are continued to be prepared on a 'Going Concern' basis.

### 3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

### 4. SHARE CAPITAL

During the year under review the Authorized Share Capital of the Company was increased from ₹ 20 Crore to ₹ 130 Crore by the creation of 1,10,00,000 Equity shares of ₹ 100 each face value. Capital infusion was thereafter done by way of a Rights Issue of 1,17,00,000 Equity shares of ₹ 100 each. Pursuant to the above, the Issued, Subscribed and Paid up Share Capital of the Company stands increased from ₹ 4,95,00,000 (Rupees Four Crore Ninty Five Lakhs)

to ₹ 121,95,00,000 (Rupees One Hundred twenty One Crore Ninty Five Lakhs).

## 5. INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

## 6. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

## 8. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014 four Board Meetings were held on, February 04, 2014, April 21, 2014, July 14, 2014 and October 20, 2014. The intervening gap between the

meetings was as prescribed under the Companies Act, 2013.

## 9. DIRECTORS

The Board of Directors has appointed Mr M L Narula as an Additional Director of the Company with effect from April 21, 2014. Mr Narula holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

The Board of Directors has appointed Mr Harish Badami as an Additional Director of the Company with effect from October 20, 2014. Mr Badami holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Mr. Kuldip Kaura and Mr. T.N. Tiwari stepped down from the Board with effect from September 06, 2014 and November 28, 2014 respectively. The Board records its deep appreciation of the valuable services rendered by Mr. Kaura and Mr. Tiwari during their respective tenures as directors with the Company.

In accordance with the provisions of the Companies Act, 2013, Mr Rajiv Prasad and Mr Rajendra Singh Rathore retire by rotation and are eligible for re-appointment. Accordingly their respective appointments have been included in the Notice convening the Annual General Meeting of the Company. The Company is in the process of identifying suitable Independent Directors.

## 10. 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:

- (a) that in the preparation of the annual financial statements for the year ended December 31,

2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- (b) 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, 2014 and of the loss of the Company for the year ended on that date;
- (c) 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;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 11. AUDIT COMMITTEE

The paid-up share capital of the Company was less than rupees five Crores in the beginning of the year however the same has been increased to Rupees 121.95 Crores in December 2014. Accordingly, the Company is taking steps to set up an Audit Committee of the Board.

## 12. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, 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 2015.

## 13. COST AUDITORS

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014.

## 14. NOMINATION AND REMUNERATION COMMITTEE

The Paid-up Share Capital of the Company was less than Rupees Five Crores in the beginning of the year however the same has been increased to Rupees 121.95 Crores during December 2014. Steps will be taken to constitute Nomination and Remuneration Committee.

## 15. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company, and all its employees for their valuable contribution during the year.

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

Harish Badami  
Chairman

Mumbai  
January 20, 2015

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

## INDEPENDENT AUDITORS' REPORT

The Board of Directors of ACC MINERAL RESOURCES LIMITED.

### Report on the Consolidated Financial Statements for the year ended December 31, 2014

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 December 31, 2014, 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.

### Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the requirements of Accounting Standard (AS) 27 Financial Reporting of interests in Joint Venture Companies issued by the Central Government under Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- b. In the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date;
- c. In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**For K. S. AIYAR & CO.**

*Chartered Accountants*

ICAI Firm Registration No :- 100186W

**RAJESH S. JOSHI.**

*Partner*

**Place:** Mumbai

**Date:** January 20, 2015

Membership No.: 38526

## CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
<b>I Equity and Liabilities</b>			
(1) Shareholders' Funds			
(a) Share Capital	3	1,21,95,00,000	4,95,00,000
(b) Reserves and Surplus	4	(6,84,94,413)	(99,96,039)
(2) Current Liabilities			
(a) Short term borrowings from holding Company	12 (B)	-	34,48,34,000
(b) Other Current Liabilities	5	12,23,86,091	8,32,107
<b>TOTAL</b>		<b>1,27,33,91,678</b>	<b>38,51,70,068</b>
<b>II Assets</b>			
(1) Non Current Assets			
(a) Fixed Assets	6		
(i) Tangible assets		2,74,59,180	1,30,83,927
(ii) Capital work-in-progress		24,58,92,506	46,31,726
(iii) Intangible Assets under development		16,66,65,828	8,65,22,237
(b) Long term Loans & Advances			
-Long term Loans to JV Companies		35,30,65,631	11,33,56,261
-Capital Advances		45,22,78,620	9,03,87,201
-Rent in Advance		34,000	-
-Security Deposit With MPPKVV & others		1,06,03,170	14,82,650
(2) Current Assets			
(a) Cash and Bank Balances	7	1,25,26,392	38,01,464
(b) Short term loans & advances	8	-	7,15,43,892
(c) Other Current Assets	9	48,66,351	3,60,710
<b>TOTAL</b>		<b>1,27,33,91,678</b>	<b>38,51,70,068</b>
Refer Significant Accounting Policies & Other Explanatory information	2		

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

**BURJOR D NARIMAN** **SUNIL NAYAK**  
Director Director  
DIN: 00492269 DIN: 00081466

**DINESH KUMAR SONTHALIA**  
Company Secretary

Mumbai, January 20, 2015

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	For the year ended December 31, 2014 (₹)	For the year ended December 31, 2013 (₹)
I Revenue from Operations		-	-
II Other Income		1,74,02,238	47,873
<b>III Total Revenue</b>		<b>1,74,02,238</b>	<b>47,873</b>
<b>IV Expenses</b>			
Depreciation and Amortization Expenses	6	4,96,971	1,11,779
Other Expenses			
-Interest		5,66,70,460	-
-Rent		3,83,516	1,78,360
-Rates & Taxes		4,900	4,900
-Audit Fees		2,90,021	2,16,904
-Bank Charges		1,803	2,599
-Consultancy & legal Charges		4,02,140	4,46,734
-Printing & Stationery		4,29,377	-
-Security Service Expenses		11,71,914	3,02,333
-Traveling & Conveyance		7,80,508	21,550
-General Charges		1,16,54,280	-
-CSR Expenditure		27,54,053	-
-Tele-Communication & Electricity charges		1,31,993	7,18,782
-Safety Materials & Site Infrastructure		6,29,427	-
-Miscellaneous Expenditure Written off		99,250	2,97,804
<b>Total Expenses</b>		<b>7,59,00,613</b>	<b>23,01,745</b>
<b>V Loss before Tax</b>		<b>(5,84,98,375)</b>	<b>(22,53,872)</b>
<b>VI Tax Expenses</b>	10		
-Tax in respect of Earlier years		-	1,132
<b>VII Loss for the year</b>		<b>(5,84,98,375)</b>	<b>(22,55,004)</b>
<b>VIII Earning per Share (₹)</b>	13	<b>(44.47)</b>	<b>(4.56)</b>
Refer Significant Accounting Policies & Other Explanatory information	2		

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

**BURJOR D NARIMAN** **SUNIL NAYAK**  
Director Director  
DIN: 00492269 DIN: 00081466

**DINESH KUMAR SONTHALIA**  
Company Secretary

Mumbai, January 20, 2015

# ACC MINERAL RESOURCES LIMITED (AMRL)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

	For the year ended December 31, 2014 (₹)	For the year ended December 31, 2013 (₹)
<b>A. Cash flow from operating activities</b>		
1 Net Profit / (Loss) before Tax	(5,84,98,375)	(22,53,872)
Adjustments for :		
2 Depreciation	4,96,971	1,11,779
3 Interest Income	(1,74,02,238)	(47,873)
4 Interest Expense	5,66,70,460	-
5 Miscellaneous Expenditure	99,250	2,97,804
<b>Operating profit before working capital changes</b>	<b>(1,86,33,932)</b>	<b>(18,92,162)</b>
Adjustments for :		
6 Other receivables	(18,19,24,888)	(8,20,28,549)
7 Other current liabilities	12,15,53,984	6,71,217
<b>Cash generated from operations</b>	<b>(7,90,04,836)</b>	<b>(8,32,49,494)</b>
8 Direct Taxes - (net)	-	(1,132)
<b>Net Cash flow from operating activities</b>	<b>(7,90,04,836)</b>	<b>(8,32,50,626)</b>
<b>B. Cash flow from investing activities</b>		
9 Purchase of Fixed Assets	(33,62,76,595)	(6,39,44,717)
10 (Increase)/decrease in capital advances	(36,18,91,419)	(9,00,52,341)
11 Interest received	1,74,02,238	47,873
<b>Net cash used in investing activities</b>	<b>(68,07,65,776)</b>	<b>(15,39,49,185)</b>
<b>C. Cash flow from financing activities</b>		
12 Interest paid	(5,66,70,460)	-
13 Proceeds from issue of Share Capital	1,17,00,00,000	-
14 Proceeds (Repayment) from Short term Borrowings	(34,48,34,000)	23,99,17,000
<b>Net cash used in financing activities-</b>	<b>76,84,95,540</b>	<b>23,99,17,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>87,24,928</b>	<b>27,17,189</b>
Cash and cash equivalents - Opening Balance	38,01,464	10,84,275
Cash and cash equivalents - Closing Balance	1,25,26,392	38,01,464

- 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.

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, January 20, 2015

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

**BURJOR D NARIMAN**  
Director  
DIN: 00492269

**DINESH KUMAR SONTALIA**  
Company Secretary

**SUNIL NAYAK**  
Director  
DIN: 00081466



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

### 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 accounting standards notified under the Companies Act 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies.
- 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 XIV of the Companies Act, 1956 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 its 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, 2014

### NOTE 3 : SHARE CAPITAL :

	As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
<b>(a) Shares authorized:</b>		
1,30,00,000 Equity Shares of ₹100/- each (Prev. Year 20,00,000 Equity shares of ₹100/- each)	13,00,00,00,000	20,00,00,000
<b>(b) Shares issued, subscribed and fully paid :</b>		
1,21,95,000 Equity Shares of ₹100/- each (Prev. Year 4,95,000 Equity shares of ₹100/- each) (All the Shares are held by ACC Limited, the Holding Company and its nominees)	1,21,95,00,000	4,95,00,000
	<b>1,21,95,00,000</b>	<b>4,95,00,000</b>

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

	Numbers	As at December 31, 2014 (₹)	Numbers	As at December 31, 2013 (₹)
At the beginning of the period	4,95,000	4,95,00,000	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	<b>1,21,95,000</b>	<b>1,21,95,00,000</b>	<b>4,95,000</b>	<b>4,95,00,000</b>

During the year the Company has issued 1,17,00,000 Equity shares of ₹ 100 each to its Holding company ACC limited.

### (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	December 31, 2014		December 31, 2013	
	Numbers	% held	Numbers	% held
ACC Limited	1,21,95,000	100	495,000	100
	<b>1,21,95,000</b>	<b>100</b>	<b>495,000</b>	<b>100</b>

### NOTE 4 : RESERVES & SURPLUS

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Surplus				
Balance as per last accounts	(9,13,784)	(90,82,254)	(99,96,038)	(77,41,035)
Profit / (Loss) for the year	(5,05,81,993)	(79,16,382)	(5,84,98,375)	(22,55,004)
<b>TOTAL</b>	<b>(5,14,95,777)</b>	<b>(1,69,98,636)</b>	<b>(6,84,94,413)</b>	<b>(99,96,039)</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

## NOTE 5 : OTHER CURRENT LIABILITIES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
(a) Audit Fees Payable	1,58,162	5,643	1,63,805	1,08,166
(b) Payable to Others	12,03,00,408	19,21,878	12,22,22,286	7,23,941
<b>TOTAL</b>	<b>12,04,58,570</b>	<b>19,27,521</b>	<b>12,23,86,091</b>	<b>8,32,107</b>

## NOTE 6 : FIXED ASSETS

Amount in ₹

Nature of fixed assets	Gross Block			Depreciation / Amortisation				Net Block		
	As at 1-1-2014	Additions during the Period	Deductions/ Adjustments	As at 31-12-2014	As at 1-1-2014	Provided during the Period	Deductions/ Adjustments	As at 31-12-2014	As at 31-12-2014	As at 31-12-2013
<b>TANGIBLE ASSETS</b>										
Furniture, Fixtures & Equipments	27,11,061	21,18,480	55,600	47,73,941	1,04,627	2,29,457	1,671	3,32,413	44,41,528	26,06,433
Plant & Machinery	-	80,00,000	-	80,00,000	-	95,781	-	95,781	79,04,219	-
Land	1,02,78,871	23,61,294	-	1,26,40,165	-	-	-	-	1,26,40,165	1,02,78,871
Digital Camera	6,272	-	-	6,272	1,664	443	-	2,107	4,165	4,608
Gps- Oregon	48,000	-	-	48,000	4,316	2,281	-	6,597	41,403	43,684
Printer	1,84,756	1,69,050	-	3,53,806	80,420	38,507	-	1,18,927	2,34,879	1,04,336
Vehicle	54,676	22,79,000	-	23,33,676	8,681	1,32,174	-	1,40,855	21,92,821	45,995
<b>TOTAL</b>	<b>1,32,83,636</b>	<b>1,49,27,824</b>	<b>55,600</b>	<b>2,81,55,860</b>	<b>1,99,708</b>	<b>4,98,643</b>	<b>1,671</b>	<b>6,96,680</b>	<b>2,74,59,180</b>	<b>1,30,83,927</b>
Previous year	76,15,402	56,98,784	30,550	1,32,83,636	87,930	1,11,779	-	1,99,708	1,30,83,927	
<b>Capital Work-In-Progress</b>									24,58,92,506	46,31,726
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>										
Mine And Infrastructure Development Expenses									16,66,65,828	8,65,22,237
<b>TOTAL</b>									16,66,65,828	8,65,22,237
<b>GRAND TOTAL</b>									44,00,17,514	10,42,37,890

## NOTE 7 : CASH &amp; BANK BALANCES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Cash & Cash Equivalent				
Cash in hand	9,016	-	9,016	7,916
Bank Balance - Current Account & TDR	1,24,86,143	31,233	1,25,17,376	37,93,548
<b>TOTAL</b>	<b>1,24,95,159</b>	<b>31,233</b>	<b>1,25,26,392</b>	<b>38,01,464</b>

# ACC MINERAL RESOURCES LIMITED (AMRL)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

### NOTE 8 : SHORT TERM LOANS & ADVANCES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Advances to JV Companies	-	-	-	7,15,43,892
	-	-	-	7,15,43,892

### NOTE 9: OTHER CURRENT ASSETS

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Advances to others	47,15,810	1,41,619	48,57,429	1,31,397
Accrued Interest	-	-	-	1,11,443
TDS Receivable	-	8,922	8,922	6,860
Security Deposit -BSNL, Rent and others	-	-	-	11,760
Miscellaneous exp. to be written off over next 12 months	-	-	-	99,250
	47,15,810	1,50,541	48,66,351	3,60,710

### NOTE 10: TAXATION

No provision for current tax is made as at December 31, 2014 in absence of any taxable income. However the income tax liability, if any of the Company, would be determined on the basis of its results for the financial year ending as on March 31, 2015.

**NOTE 11:** During the year Company has changed its accounting policy in respect of share issue expenses which hitherto were written off over a period of 60 months are now being written off in the year in which same is incurred. Consequently Loss for the year is higher by ₹ 1,02,75,833 and Reserves and surplus are lower by a like amount as compared to its previous policy.

### NOTE 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 (Marki Barka) 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, 2014 ₹	For the year ended December 31, 2013 ₹
1 Opening Balance of Inter Corporate Deposit	34,48,34,000	10,49,17,000
2 Inter Corporate Deposits Received During the Year	75,25,00,000	23,99,17,000
3 Inter Corporate Deposits paid during the year	1,09,73,34,000	-
4 Inter Corporate Deposits as at the end of the year	-	34,48,34,000
5 Investment in equity shares received	1,17,00,00,000	-

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

## (C) Transactions with Joint Venture Companies\*

Particulars	For the year ended December 31, 2014 ₹	For the year ended December 31, 2013 ₹
1 MP AMRL (Semaria) Coal Company Ltd.		
Opening Balance	1,82,93,973	17434970
Transactions during the year		
-Advance for Expenses Received	8,67,887	8,59,003
-Interest Charged on the above	11,60,075	-
Outstanding balance included in Long term Loans and advances	2,03,21,935	1,82,93,973
2 MP AMRL (Bicharpur) Coal Company Ltd.		
Opening Balance	14,54,14,690	2,04,73,453
Transactions during the year		
-Advance for Expenses Received	40,04,70,200	12,49,41,237
-Interest Charged on the above	2,17,15,486	-
Outstanding balance included in Long term Loans and advances	56,76,00,376	14,54,14,690
3 MP AMRL (Marki Barka) Coal Company Ltd.		
Opening Balance	5,85,58,515	2,30,69,125
Transactions during the year		
-Advance for Expenses Received	4,06,46,504	3,54,89,390
-Interest Charged on the above	48,83,187	-
Outstanding balance included in Long term Loans and advances	10,40,88,206	5,85,58,515
4 MP AMRL (Morga) Coal Company Ltd.		
Opening Balance	-	-
-Advance for Expenses Received	2,55,190	49,861
-Interest Charged on the above	19,843	-
-Advance for Expenses Repaid	-	49,861
Outstanding balance included in Long term Loans and advances	2,75,033	-

\* Transaction with Joint Venture Companies have been disclosed at full value

## NOTE 13: EARNINGS PER SHARE - [EPS]

Particulars	For the year ended December 31, 2014 ₹	For the year ended December 31, 2013 ₹
Profit/(Loss) after taxation as per Statement of Profit and Loss	(5,84,98,375)	(22,55,004)
Weighted average number of Equity shares outstanding	13,15,479	4,95,000
Basic earnings per Share (Weighted Average) in Rupees (face value - ₹ 100 per share)	(44.47)	(4.56)

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

# ACC MINERAL RESOURCES LIMITED (AMRL)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

**NOTE 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	:	₹ 32,86,24,907
b.	Liabilities	:	₹ 19,27,522
c.	Income	:	₹ 48,159
d.	Expenses	:	₹ 2,30,88,439

**NOTE 15:** Non-current investment of ₹ 1,96,00,000 and Long term loans and advances of ₹ 69,22,85,549 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 allottee 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.

**NOTE 16: MATERIAL DEMAND AND DISPUTE CONSIDERED AS "REMOTE" BY THE COMPANY**

The Company had given mobilisation advances, in respect of three contracts namely Supply, Development Operation, to JMS Mining Services Private Limited (JMS), a contractor for carrying out the development activities for Bicharpur Coal Block. The unadjusted advance amount as at the Balance sheet date is ₹ 43,60,50,229. In view of the cancellation of the coal blocks by the Supreme Court of India, the work given to the contractor has been suspended by the Company to the bare minimum activities pertaining to security and safety of the coal block. This advance is considered as fully recoverable in view of the valid Bank Guarantees held by the Company.

Subsequent to the suspension of work by the Company, JMS has raised a claim of ₹ 2,55,65,18,388 (net of advances paid as above) in respect of these three contracts. The Company has been advised that due to the availability of Termination Clauses in each of the contracts with JMS for development, supply and operation, it will not be liable for any claim for damages arising out of termination of the contracts on account inter alia of withdrawal of the mining lease.

**NOTE 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.

**NOTE 18:** The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1,51,53,00,000 (Previous year was ₹ 2,11,64,00,000).

**NOTE 19:** The Consolidated Financial statements of the company are prepared wherein are incorporated 49% shares in the financial statements of the 4 Joint Venture Companies (JVC). These JVCs were incorporated as a special purpose vehicle between M.P. State Mining Corporation Limited (MPSMCL) and ACC Mineral Resources Limited (AMRL) to develop and commercially exploit the respective coal blocks, the Mining rights of which were owned by MPSMCL. The supreme court of India vide judgment dated August 25, 2014 read with its order dated September 24, 2014 has canceled the allocation of the respective coal blocks to MPSMCL and accordingly MPSMCL ceases to hold coal mining rights in the respective coal blocks anymore. Investment in the 4 JVCs and all the net assets of the JVCs are considered as good and fully recoverable in view of the following.

Subsequent to the aforesaid cancellation, THE COAL MINES (SPECIAL PROVISIONS) ORDINANCE, 2014 was promulgated and accordingly, the said coal block will now be allocated afresh in future by the Ministry of Coal, Government of India and a model draft tender documents have also been published by Ministry of Coal in this regard.

In terms of the said Ordinance and the model draft tender documents published by the Ministry of Coal, the new successful allottee will have to pay to the prior allottee, a fixed amount for the value of Land and Mine infrastructure, cost of preparation of geological report borne by the prior allottee, cost of obtaining all statutory licenses, permits, permissions, approvals, clearances or consents relevant to mining operations borne by the prior allottee and the transaction expenses.

These 4 JV Companies being a Special Purpose Vehicle, created for the said specific purpose, all the expenses incurred by these Companies, whether of revenue or capital in nature were incurred for the said mine and infrastructure development only. In view of the above all the recorded assets in the Balance Sheet of the 4 JVCs are considered as fully recoverable at the value stated in the financial statements and even the claim for accumulated losses incurred till date will also be preferred for recovery. The 4 JV Companies have also communicated the same to Ministry of coal, Govt. of India.

In view of the above, till the auction and the reallocation of the blocks, and subsequent compensations, the 4 JVCs need to continue it's operations of protection of it's rights, maintenance of infrastructure, if any, basic accounting and administration and, therefore, the accounts of these 4 JVCs are continued to be prepared on a 'Going Concern' basis and no provision is considered necessary by these Companies at this stage with regard to recorded assets as at the Balance sheet date

**NOTE 20:** 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, January 20, 2015

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

**BURJOR D NARIMAN**

Director

DIN: 00492269

**DINESH KUMAR SONTHALIA**

Company Secretary

**SUNIL NAYAK**

Director

DIN: 00081466